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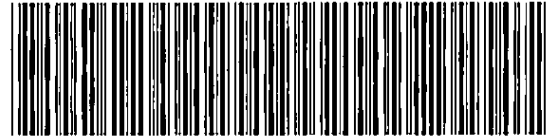
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TALLAHASSEE, FL

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Merger

R. WHITE
OCT 22 2018



Filing Cover Sheet

To: Florida Division of Corporations

From: Kim Tadlock C/O Capitol Services, Inc.

Date: 10/19/2018

Trans#: 1009153

Entity Name: FIRST GREEN BANCORP, INC. MERGING INTO SEACOAST BANKING CORPORATION OF FLORIDA

Articles Incorporation ()

Articles of Amendment ()

Articles of Dissolution ()

Annual Report ()

Conversion ()

Fictitious Name ()

Foreign Qualification ()

Limited Liability ()

Limited Partnership ()

Merger (**XX**)

Reinstatement ()

Withdrawal / Cancellation ()

Other ()

** file first **

STATE FEES PREPAID WITH CHECK#1328 FOR \$78.75

PLEASE RETURN:

Certified Copy (**XX**)

Plain Photocopy ()

Good Standing ()

Certificate of Fact ()

FILED

ARTICLES OF MERGER 2018 OCT 19 PM 5:05
OF
FIRST GREEN BANCORP, INC. SECRETARY OF STATE
WITH AND INTO TALLAHASSEE, FL
SEACOAST BANKING CORPORATION OF FLORIDA

Pursuant to the provisions of the Florida Business Corporation Act, First Green Bancorp, Inc. and Seacoast Banking Corporation of Florida do hereby adopt the following Articles of Merger for the purpose of merging First Green Bancorp, Inc. with and into Seacoast Banking Corporation of Florida.

FIRST: The names of the corporations which are parties to the merger (the "Merger") contemplated by these Articles of Merger are First Green Bancorp, Inc., a Florida corporation, and Seacoast Banking Corporation of Florida, a Florida corporation. The surviving corporation in the Merger is Seacoast Banking Corporation of Florida, which shall continue to conduct its business following effectiveness of the Merger under the name "Seacoast Banking Corporation of Florida."

SECOND: The Plan of Merger is set forth in the Agreement and Plan of Merger dated as of June 11, 2018, by and between Seacoast Banking Corporation of Florida, Seacoast National Bank, First Green Bancorp, Inc. and First Green Bank (the "Plan of Merger"). A copy of the Plan of Merger is attached hereto as Exhibit A and made a part hereof by reference as if fully set forth herein.

THIRD: The Merger shall become effective at 5:01 p.m., Eastern Time, on October 19, 2018.

FOURTH: The Plan of Merger was adopted by the shareholders of First Green Bancorp, Inc., on October 1, 2018. The Plan of Merger was adopted by the board of directors of Seacoast Banking Corporation of Florida on June 11, 2018. The approval of the Plan of Merger by the shareholders of Seacoast Banking Corporation of Florida was not required.

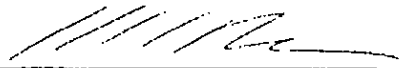
FIFTH: The Articles of Incorporation of Seacoast Banking Corporation of Florida shall serve as the Articles of Incorporation of the surviving corporation, until amended thereafter in accordance with applicable law.

[Signature page follows]

IN WITNESS WHEREOF, the parties have caused these Articles of Merger to be executed effective as of October 18, 2018.

FIRST GREEN BANCORP, INC.

**SEACOAST BANKING CORPORATION
OF FLORIDA**

By: 

Kenneth E. LaRoe
Chairman of the Board

By: _____
Dennis S. Hudson, III
President and Chief Executive Officer

IN WITNESS WHEREOF, the parties have caused these Articles of Merger to be executed effective as of October 18, 2018.

FIRST GREEN BANCORP, INC.

By: _____
Kenneth E. LaRoe
Chairman of the Board

SEACOAST BANKING CORPORATION
OF FLORIDA


By:  _____
Dennis S. Hudson, III
President and Chief Executive Officer

EXHIBIT A

Execution Version

AGREEMENT AND PLAN OF MERGER

by and among

SEACOAST BANKING CORPORATION OF FLORIDA

SEACOAST NATIONAL BANK

FIRST GREEN BANCORP, INC.

and

FIRST GREEN BANK

Dated as of June 11, 2018

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AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger (this "*Agreement*") is dated as of June 11, 2018, by and among Seacoast Banking Corporation of Florida, a Florida corporation ("*Purchaser*") Seacoast National Bank, a national banking association and a direct wholly owned subsidiary of Purchaser ("*Purchaser Bank*"), First Green Bancorp, Inc., a Florida corporation ("*Company*") and First Green Bank, a Florida chartered commercial bank and a direct wholly owned subsidiary of Company ("*Selling Bank*").

WITNESSETH

WHEREAS, the boards of directors of the Parties have determined that it is in the best interests of their respective companies and their respective shareholders to consummate the business combination transaction provided for in this Agreement in which Company will, on the terms and subject to the conditions set forth in this Agreement, merge with and into Purchaser (the "*Merger*"), with Purchaser as the surviving company in the Merger (sometimes referred to in such capacity as the "*Surviving Entity*");

WHEREAS, as a condition to the willingness of Purchaser to enter into this Agreement, (i) all of the directors of Company and Selling Bank (as defined herein) and (ii) each beneficial holder of five percent (5%) or more of the outstanding shares of Company Common Stock, have entered into voting agreements (each a "*Voting Agreement*" and collectively, the "*Voting Agreements*"), substantially in the form attached hereto as Exhibit A, dated as of the date hereof, with Purchaser, pursuant to which each such director or beneficial holder has agreed, among other things, to vote all of the Company Common Stock owned by such director or holder in favor of the approval of this Agreement and the transactions contemplated hereby, subject to the terms of the Voting Agreement;

WHEREAS, the Parties desire to make certain representations, warranties and agreements in connection with the Merger and also to prescribe certain conditions to the Merger; and

WHEREAS, for federal income tax purposes, it is intended that the Merger qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "*Code*"), and the Treasury Regulations promulgated thereunder, and this Agreement is intended to be and is adopted as a "plan of reorganization" for purposes of Sections 354 and 361 of the Code.

NOW, THEREFORE, in consideration of the mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE I

THE MERGER

Section 1.01. The Merger. Subject to the terms and conditions of this Agreement, in accordance with the Florida Business Corporation Act (the "*FBCA*"), at the Effective Time, Company shall merge with and into Purchaser pursuant to this Agreement and the Plan of Merger, substantially in the form attached hereto as Exhibit B and made a part hereof (the "*Plan of Merger*"). Purchaser shall be the Surviving Entity in the Merger and shall continue its existence as a corporation under the laws of the State of Florida. As of the Effective Time, the separate corporate existence of Company shall cease.

Section 1.02. Articles of Incorporation and Bylaws. At the Effective Time, the articles of incorporation of Purchaser in effect immediately prior to the Effective Time shall be the articles of incorporation of the Surviving Entity until thereafter amended in accordance with applicable Law. The

bylaws of Purchaser in effect immediately prior to the Effective Time shall be the bylaws of the Surviving Entity until thereafter amended in accordance with applicable Law and the terms of such bylaws.

Section 1.03. Bank Merger. Except as provided below, immediately following the Effective Time and sequentially but in effect simultaneously on the Closing Date, Selling Bank shall be merged (the "**Bank Merger**") with and into Purchaser Bank, in accordance with the provisions of applicable federal and state banking laws and regulations, and Purchaser Bank shall be the surviving bank (the "**Surviving Bank**"). The Bank Merger shall have the effects as set forth under applicable federal and state banking laws and regulations, and the boards of directors of the Parties shall cause the board of directors of Purchaser Bank and Selling Bank, respectively, to approve a separate plan of merger and merger agreement (the "**Bank Plan of Merger**") in substantially the form attached hereto as Exhibit C, and cause the Bank Plan of Merger to be executed and delivered as soon as practicable following the date of execution of this Agreement. Each of Purchaser and Company shall also approve the Bank Plan of Merger in their capacities as sole shareholders of Purchaser Bank and Selling Bank, respectively. As provided in the Bank Plan of Merger, the Bank Merger may be abandoned at the election of Purchaser Bank at any time, whether before or after filings are made for regulatory approval of the Bank Merger unless such abandonment would cause a material delay in the receipt of the Regulatory Approvals, but if the Bank Merger is abandoned for any reason, Selling Bank shall continue to operate as a wholly owned subsidiary of Purchaser under its name.

Section 1.04. Directors and Officers. The directors and officers of Purchaser at the Effective Time shall, from and after the Effective Time, continue as the directors and officers, respectively, of the Surviving Entity until their successors shall have been duly elected, appointed or qualified or until their earlier death, resignation or removal in accordance with the articles of incorporation and bylaws of the Surviving Entity.

Section 1.05. Effective Time; Closing.

(a) Subject to the terms and conditions of this Agreement, the Parties will make all such filings as may be required to consummate the Merger and the Bank Merger under applicable Law. The Merger shall become effective as set forth in the articles of merger (the "**Articles of Merger**") related to the Merger, which will include the Plan of Merger, that shall be filed with the Department of State of the State of Florida, as provided in the FBCA, on the Closing Date. The "**Effective Time**" of the Merger shall be the later of (i) the date and time of filing of the Articles of Merger, or (ii) the date and time when the Merger becomes effective as set forth in the Articles of Merger, which shall be no later than three (3) Business Days after all of the conditions to the Closing set forth in Article VI (other than conditions to be satisfied at the Closing, which shall be satisfied or waived at the Closing) have been satisfied or waived in accordance with the terms hereof or such later date as the Parties may agree.

(b) The closing of the transactions contemplated by this Agreement (the "**Closing**") shall take place on a date and time which shall be at or immediately prior to the Effective Time (such date, the "**Closing Date**") at the offices of Purchaser, or such other place as the Parties may mutually agree. At or prior to the Closing, there shall be delivered by Purchaser and Company the Articles of Merger and such other certificates and other documents required to be delivered under Article VI.

Section 1.06. Additional Actions. If, at any time after the Effective Time, Purchaser shall consider or be advised that any further deeds, documents, assignments or assurances in Law or any other acts are necessary or desirable to carry out the purposes of this Agreement, Company and its Subsidiaries and their respective officers and directors shall be deemed to have granted to Purchaser and its Subsidiaries, and each or any of them, an irrevocable power of attorney to execute and deliver, in such official corporate capacities, all such deeds, assignments or assurances in Law or any other acts as are

necessary or desirable to carry out the purposes of this Agreement, and the officers and directors of Purchaser and its Subsidiaries, as applicable, are authorized in the name of Company and its Subsidiaries or otherwise to take any and all such action.

Section 1.07. Reservation of Right to Revise Structure. Purchaser may at any time and without the approval of Company change the method of effecting the business combination contemplated by this Agreement if and to the extent that it deems such a change to be desirable; provided, however, that no such change shall (i) alter or change the amount or kind of the consideration to be issued to (x) Holders as Merger Consideration or (y) Holders of Company Stock Options, each as currently contemplated in this Agreement, (ii) reasonably be expected to materially impede or delay consummation of the Merger, (iii) adversely affect the federal income tax treatment of Holders in connection with the Merger or adversely limit or impact the qualification of the Merger as a reorganization under the provisions of Section 368(a) of the Code, or (iv) require submission to or approval of Company's shareholders after this Agreement has been approved by Company's shareholders. In the event that Purchaser elects to make such a change, the Parties agree to amend this Agreement and any related documents in order to reflect any such revised structure.

ARTICLE II

MERGER CONSIDERATION; EXCHANGE PROCEDURES

Section 2.01. Merger Consideration. Subject to the provisions of this Agreement, at the Effective Time, automatically by virtue of the Merger and without any action on the part of the Parties or any shareholder of Company:

(a) Each share of Purchaser Common Stock that is issued and outstanding immediately prior to the Effective Time shall remain outstanding following the Effective Time and shall be unchanged by the Merger.

(b) Each share of Company Common Stock owned directly by Purchaser, Company (including treasury shares) or any of their respective Subsidiaries (other than shares in trust accounts, managed accounts and the like for the benefit of customers or shares held as collateral for outstanding debt previously contracted) immediately prior to the Effective Time shall be cancelled and retired at the Effective Time without any conversion thereof, and no payment shall be made with respect thereto.

(c) Each share of Company Common Stock issued and outstanding immediately prior to the Effective Time (other than shares described in Section 2.01(b) or Dissenting Shares), shall be converted, in accordance with the procedures set forth in this Article II, into the right to receive the number of shares of Purchaser Common Stock that is equal to the Exchange Ratio (the "**Per Share Stock Consideration**"), also referred to herein in an aggregate consideration amount as the "**Merger Consideration**"), and cash in lieu of fractional shares as specified in Section 2.04; *provided, however*, that in the event the conditions set forth in Section 6.03(g) of this Agreement are not satisfied, Purchaser shall have the option to adjust the Exchange Ratio and the Per Share Stock Consideration downward by an amount that with Company's good faith agreement with the calculation takes into account and is reflective of the overall shortfall between the Company Consolidated Tangible Shareholders' Equity and the Company Target Consolidated Tangible Shareholders' Equity and waive the satisfaction of such condition set forth in Section 6.03(g) herein. At least ten (10) days prior to the Closing Date, the Company and Purchaser shall agree on a schedule setting forth the expected Company Consolidated Tangible Shareholders' Equity amount as of the Closing Date.

(d) Notwithstanding anything contained in this Agreement or elsewhere to the contrary, any holder of an outstanding share of Company Common Stock that seeks relief as a dissenting shareholder under Section §607.1302 of the FBCA shall thereafter have only such rights (and shall have such obligations) as are provided therein, and the Purchaser shall be required to deliver only such cash payments to which the Dissenting Shares are entitled pursuant to Section §607.1302 of the FBCA. Company shall (i) give Purchaser prompt notice upon receipt by Company of any such demands for payment of the fair value of such shares of Company Common Stock and of withdrawals of such notice and any other instruments provided pursuant to applicable law, and (ii) the opportunity to participate in and direct all negotiations and proceedings with respect to any such demands or notices. If any holder of Dissenting Shares shall forfeit such right to payment of the fair value under Section §607.1302 of the FBCA, each holder's Dissenting Shares shall thereupon be deemed to have been converted as of the Effective Time into the right to receive the Merger Consideration, without interest.

Section 2.02. Stock-Based Awards. Prior to the Effective Time, the Company shall take actions necessary to provide that, immediately prior to the Effective Time, each valid option to purchase shares of Company Common Stock (each, a "*Company Stock Option*"), outstanding and unexercised immediately prior to the Effective Time shall fully vest and immediately be cancelled and only entitle the holder thereof, to receive an amount in cash, without interest, equal to the product of (i) the total number of shares of Company Common Stock subject to such Company Stock Option multiplied (ii) the excess, if any, of (A) \$23.00 over (B) the per shares exercise price for the applicable Company Stock Option, less applicable Taxes required to be withheld with respect to such payment (such calculation, the "*Per Share Equity Award Consideration*"). The payment of the Per Shares Equity Award Consideration shall be made by the Company immediately prior to the Effective Time on the Closing Date provided the Company has received an executed stock option cancellation agreement from the respective stock option holder prior to the Effective Time. The Company shall use reasonable best efforts to obtain such stock option cancellation agreements prior to the Effective Time. Any Company Stock Option that has a per share exercise price that is greater than or equal to the Per Share Merger Consideration shall be cancelled for no consideration. Nothing herein shall prevent any holder from exercising, before the Effective Time, any Company Stock Option that is exercisable according to its terms and any common stock issued upon such exercise shall be converted at the Effective Time into a right to receive the Merger Consideration, subject to appraisal rights under the FBCA. Any shares of Company Common Stock issued upon such exercise between the date of this Agreement and the Effective Time shall be converted at the Effective Time into a right to receive the Merger Consideration, subject to appraisal rights under the FBCA.

Section 2.03. Rights as Shareholders: Stock Transfers. At the Effective Time, all shares of Company Common Stock, when converted in accordance with Section 2.01, other than Dissenting Shares which have the rights as provided for under the FBCA, shall no longer be outstanding and shall automatically be cancelled and retired and shall cease to exist, and each Certificate or Book-Entry Share previously evidencing such shares shall thereafter represent only the right to receive for each such share of Company Common Stock, the Merger Consideration and any cash in lieu of fractional shares of Purchaser Common Stock in accordance with this Article II. At the Effective Time, holders of Company Common Stock shall cease to be, and shall have no rights as, shareholders of Company, other than the right to receive the Merger Consideration and cash in lieu of fractional shares of Purchaser Common Stock as provided under this Article II. After the Effective Time, there shall be no registration of transfers on the stock transfer books of Company of shares of Company Common Stock.

Section 2.04. Fractional Shares. Notwithstanding any other provision hereof, no fractional shares of Purchaser Common Stock and no certificates or scrip therefor, or other evidence of ownership thereof, will be issued in the Merger. In lieu thereof, Purchaser shall pay or cause to be paid to each holder of a fractional share of Purchaser Common Stock, rounded to the nearest one hundredth of a share, an amount of cash (without interest and rounded to the nearest whole cent) determined by multiplying the

fractional share interest in Purchaser Common Stock to which such holder would otherwise be entitled by the Purchaser Average Stock Price.

Section 2.05. Plan of Reorganization. It is intended that the Merger shall constitute a "reorganization" within the meaning of Section 368(a) of the Code (and any comparable provision of state law), and that this Agreement shall constitute a "plan of reorganization" as that term is used in Sections 354 and 361 of the Code.

Section 2.06. Exchange Procedures. The Purchaser shall cause the Exchange Agent as promptly as practicable after the Effective Time but in no event later than five (5) Business Days after the Closing Date, and *provided that* Company has delivered, or caused to be delivered, to the Exchange Agent all information that is necessary for the Exchange Agent to perform its obligations as specified herein to mail or otherwise cause to be delivered to each Holder appropriate and customary transmittal materials, in a form satisfactory to Purchaser and Company, which shall specify that delivery shall be effected, and risk of loss and title to the Certificates or Book-Entry Shares shall pass, only upon delivery of the Certificates or Book-Entry Shares to the Exchange Agent, as well as instructions for use in effecting the surrender of the Certificates or Book-Entry Shares in exchange for the Merger Consideration as provided for in this Agreement (the "*Letter of Transmittal*").

Section 2.07. Deposit of Merger Consideration.

(a) Prior to the Effective Time, Purchaser shall (i) deposit, or shall cause to be deposited, with the Exchange Agent, Purchaser Common Stock issuable pursuant to Section 2.01(c) in book-entry form equal to the aggregate Purchaser Common Stock portion of the Merger Consideration (excluding any fractional share consideration) (together with, to the extent then determinable, any cash payable in lieu of fractional shares pursuant to Section 2.04) (collectively, the "*Exchange Fund*"), and (ii) instruct the Exchange Agent to promptly pay such Merger Consideration and cash in lieu of fractional shares upon receipt of a properly completed Letter of Transmittal in accordance with this Agreement.

(b) Any portion of the Exchange Fund that remains unclaimed by the shareholders of Company for one (1) year after the Effective Time (as well as any interest or proceeds from any investment thereof) shall be delivered by the Exchange Agent to Purchaser. Any shareholders of Company who have not theretofore complied with this Section 2.07 and Section 2.08(a) shall thereafter look only to Purchaser for the Merger Consideration deliverable in respect of each share of Company Common Stock such shareholder held as of immediately prior to the Effective Time, as determined pursuant to this Agreement, in each case without any interest thereon. If outstanding Certificates or Book-Entry Shares for shares of Company Common Stock are not surrendered or the payment for them is not claimed prior to the date on which such shares of Purchaser Common Stock or cash would otherwise escheat to or become the property of any governmental unit or agency, the unclaimed items shall, to the extent permitted by the law of abandoned property and any other applicable Law, become the property of Purchaser (and to the extent not in its possession shall be delivered to it), free and clear of all claims or interest of any Person previously entitled to such property. Neither the Exchange Agent nor any Party shall be liable to any Holder represented by any Certificate or Book-Entry Share for any Merger Consideration (or any dividends or distributions with respect thereto) paid to a public official pursuant to applicable abandoned property, escheat or similar Laws. Purchaser and the Exchange Agent shall be entitled to rely upon the stock transfer books of Company to establish the identity of those Persons entitled to receive the Merger Consideration specified in this Agreement, which books shall be conclusive with respect thereto. In the event of a dispute with respect to ownership of any shares of Company Common Stock represented by any Certificate or Book-Entry Share, Purchaser and the Exchange Agent shall be entitled to tender to the custody of any court of competent jurisdiction any Merger Consideration represented by such Certificate

or Book-Entry Share and file legal proceedings interpleading all parties to such dispute, and will thereafter be relieved with respect to any claims thereto.

Section 2.08. Delivery of Merger Consideration.

(a) Upon surrender to the Exchange Agent of its Certificate(s) or Book-Entry Share(s), accompanied by a properly completed Letter of Transmittal, a Holder will be entitled to receive the Merger Consideration and any cash in lieu of fractional shares of Purchaser Common Stock to be issued or paid in consideration therefor in respect of the shares of Company Common Stock represented by such Holder's Certificates or Book-Entry Shares. The Exchange Agent and Purchaser, as the case may be, shall not be obligated to deliver cash and/or shares of Purchaser Common Stock to a Holder to which such Holder would otherwise be entitled as a result of the Merger until such Holder surrenders the Certificates or Book-Entry Shares representing the shares of Company Common Stock for exchange as provided in this Article II, or, an appropriate affidavit of loss and indemnity agreement and/or a bond in such amount as may be required in each case by Purchaser or the Exchange Agent.

(b) All shares of Purchaser Common Stock to be issued pursuant to the Merger shall be deemed issued and outstanding as of the Effective Time and if ever a dividend or other distribution is declared by Purchaser in respect of the Purchaser Common Stock, the record date for which is at or after the Effective Time, that declaration shall include dividends or other distributions in respect of all shares of Purchaser Common Stock issuable pursuant to this Agreement. No dividends or other distributions in respect of the Purchaser Common Stock shall be paid to any holder of any unsurrendered Certificate or Book-Entry Share until such Certificate or Book-Entry Share is surrendered for exchange in accordance with this Article II. Subject to the effect of applicable Laws, following surrender of any such Certificate or Book-Entry Share, there shall be issued and/or paid to the holder of the certificates representing whole shares of Purchaser Common Stock issued in exchange therefor, without interest, (i) at the time of such surrender, the dividends or other distributions with a record date after the Effective Time theretofore payable with respect to such whole shares of Purchaser Common Stock and not paid and (ii) at the appropriate payment date, the dividends or other distributions payable with respect to such whole shares of Purchaser Common Stock with a record date after the Effective Time but with a payment date subsequent to surrender.

(c) Purchaser (through the Exchange Agent, if applicable) shall be entitled to deduct and withhold from any amounts otherwise payable pursuant to this Agreement to any Holder such amounts as Purchaser is required to deduct and withhold under applicable Law. Any amounts so deducted and withheld shall be remitted to the appropriate Governmental Authority and upon such remittance shall be treated for all purposes of this Agreement as having been paid to the Holder in respect of which such deduction and withholding was made by Purchaser or the Exchange Agent, as applicable.

Section 2.09. Anti-Dilution Provisions. If the number of shares of Purchaser Common Stock or Company Common Stock issued and outstanding prior to the Effective Time shall be increased or decreased as a result of a stock split, stock combination, stock dividend, recapitalization or similar transaction, with respect to such stock, and the record date thereof shall be prior to the Effective Time, the Merger Consideration shall be proportionately adjusted as necessary to preserve the relative economic benefit to the Parties.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF COMPANY

Section 3.01. Making of Representations and Warranties.

Except as disclosed in the disclosure schedule delivered by Company to Purchaser concurrently herewith (the "Company Disclosure Schedule"), Company hereby represents and warrants to Purchaser that the statements contained in this Article III are correct as of the date of this Agreement and will be correct as of the Closing Date (as though made on and as of the Closing Date), except as to any representation or warranty which specifically speaks as of an earlier date (including without limitation representations made as of "the date hereof"), which only need be correct as of such earlier date. "Knowledge" or "knowledge" as to Company and any other phrase of similar import means, with respect to any matter in question relating to Company, knowledge of those individuals set forth on Company Disclosure Schedule 3.01(a). Company has made a good faith effort to ensure that the disclosure on each schedule of the Company Disclosure Schedule corresponds to the section referenced herein. However, for purposes of the Company Disclosure Schedule, any item disclosed on any schedule therein is deemed to be fully disclosed with respect to all sections of this Agreement under which such item may be relevant as and to the extent that it is reasonably clear on the face of such schedule that such item applies to such other section of this Agreement.

Section 3.02. Organization, Standing and Authority.

(a) Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida and is a bank holding company duly registered under the Bank Holding Company Act of 1956, as amended ("BHC Act"). Company has the corporate power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted. Company is duly licensed or qualified to do business in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary. Company Disclosure Schedule 3.02(a) sets forth a complete and accurate list of all such jurisdictions. True and complete copies of the Articles of Incorporation of Company (the "Company Articles") and the By-Laws of Company (the "Company Bylaws"), as in effect as of the date of this Agreement, have previously been made available by Company to Purchaser.

(b) Company Disclosure Schedule Section 3.02(b) identifies each Subsidiary of the Company. Each Subsidiary of Company ("Company Subsidiaries") (i) is duly organized and validly existing under the laws of its jurisdiction of organization, (ii) is duly qualified to do business and, where such concept is recognized under applicable law, in good standing in all jurisdictions (whether federal, state, local or foreign) where its ownership or leasing of property or the conduct of its business requires it to be so qualified, except where the failure to be so qualified would not reasonably be likely, either individually or in the aggregate, to have a Material Adverse Effect on Company, and (iii) has all requisite corporate power and authority to own or lease its properties and assets and to carry on its business as now conducted. There are no restrictions on the ability of the Company's Subsidiaries to pay dividends or distributions except for restrictions on dividends or distributions generally applicable to all Florida chartered financial institutions. The deposit accounts of the Selling Bank are insured by the Federal Deposit Insurance Corporation (the "FDIC") through the Deposit Insurance Fund (as defined in Section 3(y) of the Federal Deposit Insurance Act of 1950, as amended) to the fullest extent permitted by law, all premiums and assessments required to be paid in connection therewith have been paid when due, and no proceedings for the termination of such insurance are pending or, to Company's knowledge, threatened. There is no Person whose results of operations, cash flows, changes in shareholders' equity or financial position are consolidated in the financial statements of Company other than the Company's Subsidiaries.

Section 3.03. Capitalization.

(a) The authorized capital stock of Company consists of 10,000,000 shares of Company Common Stock, \$5.00 par value per share, and 1,000,000 shares of preferred stock, \$1.00 par value per

share, of which no shares of preferred stock are issued or outstanding. As of the date of this Agreement, no shares of capital stock or other voting securities of Company are issued, reserved for issuance or outstanding, other than (i) 5,454,065 shares of Company Common Stock issued and outstanding, and (ii) 694,901 shares of Company Common Stock reserved for issuance upon the exercise of outstanding Company Stock Options. All of the issued and outstanding shares of Company Common Stock have been duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. No bonds, debentures, notes or other indebtedness that have the right to vote on any matters on which shareholders of Company may vote are issued or outstanding. There are no contractual obligations of Company or its Subsidiaries pursuant to which Company or its Subsidiaries could be required to register shares of capital stock or other securities of Company or its Subsidiaries under the Securities Act. Except as set forth in Company Disclosure Schedule Section 3.03(a), as of the date of this Agreement, no trust preferred or subordinated debt securities of Company are issued or outstanding. Other than the Company Equity Awards issued prior to the date of this Agreement, there are no outstanding subscriptions, options, warrants, puts, calls, rights, exchangeable or convertible securities or other commitments or agreements obligating Company to issue, transfer, sell, purchase, redeem or otherwise acquire any shares of Company Common Stock or any other equity interests of Company.

(b) There are no voting trusts, shareholder agreements, proxies or other agreements in effect pursuant to which Company or the Company's Subsidiaries has a contractual or other obligation with respect to the voting or transfer of the Company Common Stock or other equity interests of Company.

(c) Company Disclosure Schedule Section 3.03(c) sets forth a true, correct and complete list of all Company Equity Awards outstanding as of the date hereof, specifying, on a holder-by-holder basis, (i) the name of each holder of such Company Equity Award, (ii) the number of shares subject to each such Company Equity Award, (iii) the grant date of each such Company Equity Award, (iv) the Company Stock Plan under which such Company Equity Award was granted, (v) the exercise price for each such Company Equity Award that is a Company Stock Option, and (vi) the expiration date of each such Company Equity Award that is a Company Stock Option. Other than the Company Equity Awards, no equity-based awards (including any cash awards where the amount of payment is determined in whole or in part based on the price of any capital stock of Company or its Subsidiaries) are outstanding. Each Company Stock Option (1) was granted in compliance with all applicable laws and all the terms and conditions of the Company Stock Plans pursuant to which it was issued, (2) has an exercise price per share equal to or greater than the fair market value of a share of Company Common Stock at the close of business on the date of such grant or the immediately preceding date, (3) has a grant date identical to the date on which the Company Stock Option was actually granted, and (4) qualifies for the tax and accounting treatment afforded to such Company Stock Option in Company's Tax Returns and the Company's financial statements, respectively.

(d) Company owns, directly or indirectly, all of the issued and outstanding shares of capital stock or other equity ownership interests of the Company's Subsidiaries, free and clear of any liens, pledges, charges, encumbrances and security interests whatsoever ("*Liens*"), and all of such shares or equity ownership interests are duly authorized and validly issued and are fully paid, nonassessable (except, with respect to Company's Subsidiaries, as provided under 12 U.S.C. § 55 or any comparable provision of applicable state law) and free of preemptive rights, with no personal liability attaching to the ownership thereof. The Company's Subsidiaries have no or are not bound by any outstanding subscriptions, options, warrants, calls, rights, commitments or agreements of any character calling for the purchase or issuance of any shares of capital stock or any other equity security of such Subsidiary or any securities representing the right to purchase or otherwise receive any shares of capital stock or any other equity security of such Subsidiary.

(e) Except as set forth on Company Disclosure Schedule Section 3.03(e), no Person is the beneficial owner (as defined in Section 13(d) of the Exchange Act) of five percent (5%) or more of the outstanding shares of Company Common Stock.

Section 3.04. Authority; No Violation.

(a) Company has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the Merger have been duly and validly approved by the Board of Directors of Company. The Board of Directors of Company has determined that the Merger, on the terms and conditions set forth in this Agreement, is in the best interests of Company and has directed that this Agreement and the transactions contemplated hereby be submitted to Company's shareholders for approval at a meeting of such shareholders and has adopted a resolution to the foregoing effect. Except for the approval of this Agreement by the affirmative vote of the majority of the outstanding shares of Company Common Stock (the "*Requisite Company Shareholder Approval*"), and the adoption and approval of the Bank Merger Agreement by the board of directors of Selling Bank and Company as its sole shareholder, no other corporate proceedings on the part of Company are necessary to approve this Agreement or to consummate the transactions contemplated hereby. As of the date hereof, the Board of Directors of the Company has no Knowledge of any fact, event or circumstance that would cause any beneficial holder of five percent (5%) or more of the outstanding shares of Company Common Stock to vote against the adoption of this Agreement, the Merger and the other transactions contemplated hereby, including the Bank Merger. This Agreement has been duly and validly executed and delivered by Company and (assuming due authorization, execution and delivery by Purchaser) constitutes a valid and binding obligation of Company, enforceable against Company in accordance with its terms (except in all cases as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, moratorium, reorganization or similar laws of general applicability relating to or affecting insured depository institutions or the rights of creditors generally and subject to general principles of equity (the "*Enforceability Exceptions*")).

(b) Neither the execution and delivery of this Agreement by Company nor the consummation by Company of the transactions contemplated hereby, nor compliance by Company with any of the terms or provisions hereof, will (i) violate, conflict with or result in a breach of any provision of Company Articles or Company Bylaws or (ii) assuming that the consents, approvals and filings referred to in Section 3.05 are duly obtained and/or made, (x) violate any law, statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to Company or Company's Subsidiaries or any of their respective properties or assets, or (y) violate, conflict with, result in a breach of any provision of or the loss of any benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien upon any of the respective properties or assets of Company or its Subsidiaries under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which Company or its Subsidiaries is a party, or by which they or any of their respective properties or assets may be bound, except (in the case of clause (ii) above) for such violations, conflicts, breaches, defaults, terminations, cancellations, accelerations or creations which, either individually or in the aggregate, would not reasonably be likely to have a Material Adverse Effect on Company.

Section 3.05. Consents and Approvals. Except for (a) the filing of applications, filings and notices, as applicable, with the Board of Governors of the Federal Reserve System (the "*Federal Reserve Board*") under the BHC Act and approval of such applications, filings and notices, (b) the filing of applications, filings and notices, as applicable, with the Office of the Comptroller of the Currency (the

“OCC”) or any applicable Governmental Authority in connection with the Bank Merger, under the Bank Merger Act, and approval of such applications, filings and notices, (c) the filing of any required applications, filings or notices, as applicable, with the Financial Industry Regulatory Authority (“FINRA”) and the approval of such applications, filings and notices, (d) the filing with the Securities and Exchange Commission (the “SEC”) of a proxy statement in definitive form relating to the meeting of Company’s shareholders to be held in connection with this Agreement and the transactions contemplated hereby (including any amendments or supplements thereto, the “Proxy Statement-Prospectus”), and of the registration statement on Form S-4 (the “Registration Statement”) in which the Proxy Statement will be included as a prospectus, to be filed with the SEC by Purchaser in connection with the transactions contemplated by this Agreement and declaration of effectiveness of the Registration Statement, (e) the filing of the Articles of Merger with the Florida Secretary of State pursuant to the FBCA to the extent required, and (f) such filings and approvals as are required to be made or obtained under the securities or “Blue Sky” laws of various states in connection with the issuance of the shares of Purchaser Common Stock pursuant to this Agreement and the approval of the listing of such Purchaser Common Stock on NASDAQ (the “Regulatory Approvals”), no consents or approvals of or filings or registrations with any Governmental Authority are necessary in connection with (A) the execution and delivery by Company of this Agreement or (B) the consummation by Company of the Merger and the other transactions contemplated hereby (including the consummation by Selling Bank of the Bank Merger). As of the date hereof, Company is not aware of any reason why the necessary Regulatory Approvals and consents will not be received in order to permit consummation of the Merger and Bank Merger on a timely basis.

Section 3.06. Reports.

(a) Company and its Subsidiaries have timely filed all reports, registrations and statements, together with any amendments required to be made with respect thereto, that they were required to file since January 1, 2015 with (i) any state regulatory authority, (ii) the Federal Reserve Board, (iii) the FDIC and (iv) the OFR (each a “Regulatory Agency” and collectively, the “Regulatory Agencies”), including any report, registration or statement required to be filed pursuant to the laws, rules or regulations of the United States, any state, or any Regulatory Agency, and have paid all fees and assessments due and payable in connection therewith, except where the failure to file such report, registration or statement or to pay such fees and assessments, either individually or in the aggregate, would not reasonably be likely to have a Material Adverse Effect on Company or its Subsidiaries, as the case may be. Except for examinations of Company and its Subsidiaries conducted by a Regulatory Agency in the ordinary course of business, no Regulatory Agency has initiated or has pending any proceeding or, to the knowledge of Company, investigation into the business or operations of Company or its Subsidiaries since January 1, 2015, except where such proceedings or investigation would not reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Company or its Subsidiaries. There is no unresolved violation, criticism, or exception by any Regulatory Agency with respect to any report or statement relating to any examinations or inspections of Company or its Subsidiaries, which would reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Company.

(b) An accurate and complete copy of each final registration statement, prospectus, report, schedule and proxy statement filed with or furnished to any Regulatory Agency by Company or any of its Subsidiaries, as the case may be, since January 1, 2016 (the “Company Reports”) has been previously provided to Purchaser. No such Company Report, at the time filed, furnished or communicated (and, in the case of registration statements and proxy statements, on the dates of effectiveness and the dates of the relevant meetings, respectively), contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances in which they were made, not misleading, except that information filed or furnished as of a later date (but before the date of this Agreement) shall be deemed to modify information as of an

earlier date. As of their respective dates, all Company Reports filed with a Regulatory Agency complied as to form in all material respects with the published rules and regulations of the Regulatory Agencies with respect thereto.

Section 3.07. Financial Statements.

(a) The financial statements of Company and its Subsidiaries included (or incorporated by reference) in Company Reports (including the related notes, where applicable) (i) have been prepared from, and are in accordance with, the books and records of Company and its Subsidiaries, (ii) fairly present in all material respects the consolidated results of operations, cash flows, changes in shareholders' equity and consolidated financial position of Company and its Subsidiaries for the respective fiscal periods or as of the respective dates therein set forth (subject in the case of unaudited statements to year-end audit adjustments normal in nature and amount), (iii) complied, as of their respective dates of filing in all material respects with applicable accounting requirements, and (iv) have been prepared in accordance with GAAP consistently applied during the periods involved, except, in each case, as indicated in such statements or in the notes thereto. The books and records of Company and its Subsidiaries have been, since January 1, 2015, and are being maintained in all material respects in accordance with GAAP and any other applicable legal and accounting requirements.

(b) Hacker, Johnson & Smith, PA, which has expressed its opinion with respect to the financial statements of the Company (including the related notes), is and has been throughout the periods covered by such financial statements (A) a registered public accounting firm (as defined in Section 2(a)(12) of the Sarbanes-Oxley Act) (to the extent applicable during such period), (B) "independent" with respect to the Company within the meaning of Regulation S-X and (C) with respect to the Company, in compliance with subsections (g) through (l) of Section 10A of the 1934 Act and related Securities Laws. Hacker, Johnson & Smith, PA has not resigned (or informed Company that it intends to resign) or been dismissed as independent public accountants of Company as a result of or in connection with any disagreements with Company on a matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

(c) There is no transaction, arrangement or other relationship between the Company or any of its Subsidiaries and any unconsolidated or other affiliated entity that is not reflected in the financial statements of the Company. The Company has no Knowledge of (A) any significant deficiency in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or any material weaknesses in internal controls or (B) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls. Since January 1, 2015, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls of the Company.

(d) Except as would not reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Company, neither Company nor its Subsidiaries has any liability of any nature whatsoever (whether absolute, accrued, contingent or otherwise and whether due or to become due), except, (i) for liabilities incurred in the ordinary course of business consistent with past practice since December 31, 2017, or (ii) in connection with this Agreement and the transactions contemplated hereby. Except as disclosed on Section 3.07(d) of the Company Disclosure Schedule, none of the Company or its Subsidiaries is directly or indirectly liable, by guarantee or otherwise, to assume any liability for any amount in excess of \$10,000.

(e) The records, systems, controls, data and information of Company and its Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process, whether computerized or not) that are under the exclusive ownership and direct

control of Company or its Subsidiaries or accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Company. The Company and its Subsidiaries maintain internal controls which provide reasonable assurance that (i) transactions are executed with management's authorization, (ii) transactions are recorded as necessary to permit preparation of the consolidated financial statements of the Company and its Subsidiaries, (iii) access to assets of the Company and its Subsidiaries is permitted only in accordance with management's authorization, (iv) the reporting of assets of the Company and its Subsidiaries is compared with existing assets at regular intervals, and (v) assets and liabilities of the Company and its Subsidiaries are recorded accurately in the Company's financial statements.

(f) Since January 1, 2015, (i) neither Company nor its Subsidiaries, nor, to the knowledge of Company, any director, executive officer, auditor, accountant or representative of Company or its Subsidiaries, has received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or, to the knowledge of Company, oral, regarding the accounting or auditing practices, procedures, methodologies or methods (including with respect to loan loss reserves, write-downs, charge-offs and accruals) of Company or its Subsidiaries or their respective internal accounting controls, including any material complaint, allegation, assertion or written claim that Company or its Subsidiaries has engaged in questionable accounting or auditing practices, and (ii) no attorney representing Company or its Subsidiaries, whether or not employed by Company or its Subsidiaries, has reported evidence of a material violation of securities laws, breach of fiduciary duty or similar violation by Company or any of its officers, directors, employees or agents to the Board of Directors of Company or any committee thereof or to the knowledge of Company, to any director or officer of Company.

Section 3.08. Absence of Certain Changes or Events.

(a) Except as set forth on Section 3.08(a) of the Company Disclosure Schedule or as otherwise expressly permitted or expressly contemplated by this Agreement, since December 31, 2017, there has not been (i) any change or development in the business, operations, assets, liabilities, condition (financial or otherwise), results of operations, cash flows or properties of Company or any of its Subsidiaries which has had, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Company, (ii) any change by Company or any of its Subsidiaries in its accounting methods, principles or practices, other than changes required by applicable law or GAAP or regulatory accounting as concurred in by Company's independent registered public accounting firm, (iii) any declaration, setting aside or payment of any dividend or distribution in respect of any capital stock of Company or any of its Subsidiaries or any redemption, purchase or other acquisition of any of its securities, other than in the ordinary course of business consistent with past practice or with respect to shares tendered in payment for the exercise of stock options or upon the exercise of stock options, (iv) establishment or amendment of any bonus, insurance, severance, deferred compensation, pension, retirement, profit sharing, stock option (including, without limitation, the granting of stock options, stock appreciation rights, or performance awards), stock purchase or other employee benefit plan, or any increase in the compensation payable or to become payable to any directors or executive officers of Company or any of its Subsidiaries, or any contract or arrangement entered into to make or grant any severance or termination pay, or the taking of any action not in the ordinary course of business with respect to the compensation or employment of directors, officers or employees of Company or any of its Subsidiaries, (v) any material change in the credit policies or procedures of Company or any of its Subsidiaries, the effect of which was or is to make any such policy or procedure less restrictive in any respect, or (vi) any new election or change in any existing election made by the Company or any of its Subsidiaries for federal or state Tax purposes.

(b) Since December 31, 2017, except with respect to the transactions contemplated hereby or as required or permitted by this Agreement, Company and its Subsidiaries have carried on their respective businesses in all material respects in the ordinary course.

Section 3.09. Legal Proceedings.

(a) Neither Company nor its Subsidiaries is a party to any, and there are no pending or, to Company's knowledge, threatened, legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations of any nature against Company or its Subsidiaries or, to Company's knowledge, any of their current or former directors or executive officers (i) that would reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Company or its Subsidiaries, or (ii) reasonably likely to prevent, materially impede or materially delay its ability to perform its covenants and agreements under this Agreement or to consummate the transactions contemplated hereby.

(b) There is no injunction, order, judgment, decree, or regulatory restriction imposed upon Company, its Subsidiaries or the assets of Company or its Subsidiaries (or that, upon consummation of the Merger, would apply to the Surviving Entity or any of its affiliates).

Section 3.10. Taxes and Tax Returns.

(a) Each of Company and its Subsidiaries has duly and timely filed (taking into account all applicable extensions) all material Tax Returns in all jurisdictions in which Tax Returns are required to be filed by it, and all such Tax Returns are true, correct, and complete in all material respects and have been prepared in substantial compliance with all applicable laws. Neither Company nor its Subsidiaries is the beneficiary of any extension of time within which to file any material Tax Return. All material Taxes due and owing by the Company or any of its Subsidiaries (whether or not shown on any Tax Return) have been fully and timely paid.

(b) Each of Company and its Subsidiaries has collected or withheld and paid to the appropriate Taxing Authority all material Taxes required to have been collected or withheld and paid over by it, and has complied in all respects with all information reporting and backup withholding requirements under all applicable federal, state, local and foreign Laws in connection with any amounts paid or owing to any employee, creditor, shareholder, independent contractor or other third party.

(c) Neither Company nor its Subsidiaries has granted any extension or waiver of the limitation period applicable to any material Tax that remains in effect. The federal income Tax Returns of Company and its Subsidiaries for all years up to and including December 31, 2012 have been examined by the IRS or are Tax Returns with respect to which the applicable period for assessment under applicable law, after giving effect to extensions or waivers, has expired.

(d) No deficiency with respect to a material amount of Taxes has been proposed, asserted or assessed, in each case, in writing, against Company or its Subsidiaries. There are no pending or threatened in writing disputes, claims, audits, examinations or other proceedings regarding any material Taxes of Company and its Subsidiaries or the assets of Company and its Subsidiaries. In the last six (6) years, neither Company nor its Subsidiaries has been informed in writing by any jurisdiction that the jurisdiction believes that Company or its Subsidiaries was required to file any Tax Return that was not filed and to the Knowledge of the Company and each of its Subsidiaries, no basis for such a claim exists.

(e) Company has made available to Purchaser true, correct, and complete copies of any private letter ruling requests, closing agreements or gain recognition agreements with respect to Taxes requested or executed in the last six (6) years.

(f) There are no Liens for material Taxes (except Taxes not yet due and payable) on any of the assets of Company or its Subsidiaries.

(g) Except as set forth on Company Disclosure Schedule 3.10(g), neither Company nor its Subsidiaries is a party to or is bound by any Tax sharing, allocation or indemnification agreement or arrangement (other than such an agreement or arrangement exclusively between or among Company and its Subsidiaries). Neither Company nor its Subsidiaries (i) has been a member of an affiliated group filing a consolidated federal income Tax Return (other than a group the common parent of which was Company) or (ii) has any liability for the Taxes of any person (other than Company or its Subsidiaries) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign law), as a transferee or successor, by contract or otherwise.

(h) Neither Company nor its Subsidiaries has been, within the past two (2) years or otherwise as part of a "plan (or series of related transactions)" within the meaning of Section 355(e) of the Code of which the Merger is also a part, a "distributing corporation" or a "controlled corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock intended to qualify for tax-free treatment under Section 355 of the Code.

(i) Neither Company nor its Subsidiaries has participated in a "listed transaction" within the meaning of Treasury Regulations Section 1.6011-4(b)(2).

(j) At no time during the past five (5) years has Company been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code.

(k) Neither Company nor its Subsidiaries will be required to include any material item of income in, or to exclude any material item of deduction from, taxable income in any taxable period (or portion thereof) ending after the Closing Date as a result of any (A) change in method of accounting for a taxable period ending on or prior to the Closing Date under Section 481 of the Code (or any corresponding or similar provision of state, local or foreign income tax law), (B) "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of state, local, or foreign income tax law) executed on or prior to the Closing Date, (C) intercompany transaction or excess loss account described in Treasury Regulations under Section 1502 of the Code (or any similar provision of state, local or foreign tax law), (D) installment sale or open transaction disposition made on or prior to the Closing Date, or (E) prepaid amount received on or prior to the Closing Date.

(l) Company and each of its Subsidiaries has disclosed on its Tax Returns any position taken for which substantial authority (within the meaning of Internal Revenue Code Section 6662(d)(2)(B)(i) or comparable provision of state or local Tax Law) did not exist at the time the return was filed. Neither Company nor any of its Subsidiaries is a party to any joint venture, partnership, or other arrangement or contract which could be treated as a partnership for federal income Tax purposes.

(m) The unpaid Taxes of the Company and its Subsidiaries (i) do not exceed the reserve for Tax Liability (which reserve is distinct and different from any reserve for deferred taxes established to reflect timing differences between book and tax income) set forth on the face of the Company Financial Statements delivered to Purchaser (rather than in any notes thereto), and (ii) do not exceed that reserve as adjusted for the passage of time through the Closing Date in accordance with past custom and practice of the Company and its Subsidiaries in filing its Tax Returns.

(n) Neither Company nor any of its Subsidiaries has taken or agreed to take any action, or is aware of any fact or circumstances, that would be reasonably likely to prevent the Merger from qualifying for U.S. federal income tax purposes as a "reorganization" within the meaning of Section 368(a) of the Code.

(o) As used in this Agreement, the term "Tax" or "Taxes" means all federal, state, local, and foreign taxes, charges, fees, levies, imposts, duties, or other like assessments, including assessments for unclaimed property, as well as income, gross receipts, excise, employment, sales, use, transfer, intangible, recording, license, payroll, franchise, severance, documentary, stamp, occupation, windfall profits, environmental, federal highway use, commercial rent, customs duties, capital stock, paid-up capital, profits, withholding, Social Security, single business and unemployment, disability, real property, personal property, registration, ad valorem, value added, alternative or add-on minimum, estimated, or other tax or governmental fee of any kind whatsoever, or any amount in respect of unclaimed property or escheat, imposed by or required to be paid or withheld by the United States or any state, local, or foreign government or subdivision or agency thereof, whether disputed or not, including any related interest, penalties, and additions imposed thereon or with respect thereto, and including any liability for Taxes of another Person pursuant to a contract, as a transferee or successor, under Treasury Regulation Section 1.1502-6 or analogous provision of state, local or foreign Law or otherwise.

(p) As used in this Agreement, the term "**Tax Return**" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any associated schedules, forms, attachments or amendments and any related or supporting information, estimates, elections, or statements provided or required to be provided to a Taxing Authority in connection with Taxes, including any return of an Affiliated or combined or unitary group that includes a Party or its Subsidiaries and including without limitation any estimated Tax return.

Section 3.11. Employees and Employee Benefit Plans.

(a) Company Disclosure Schedule Section 3.11(a) sets forth a true and complete list of all Company Benefit Plans. For purposes of this Agreement, "**Company Benefit Plans**" means all employee benefit plans (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**")), whether or not subject to ERISA, and all stock option, stock purchase, restricted stock, incentive, deferred compensation, medical, dental, disability, life insurance and other welfare benefit plans (including paid time off policies and other material benefit policies and procedures), supplemental retirement, retention, bonus, employment, change in control, termination or severance plans, programs, agreements or arrangements that are maintained, contributed to or sponsored or maintained by, or required to be contributed to, Company or its Subsidiaries for the benefit of any current or former employee, officer, director or independent contractor of Company or its Subsidiaries. Neither the Company nor any Company Subsidiary has any written or oral commitment to create any additional Company Benefit Plan or to materially modify, change or renew any existing Company Benefit Plan (any modification or change that increases the cost of such plan would be deemed material).

(b) Company has heretofore made available to Purchaser true and complete copies of (i) each Company Benefit Plan, including any amendments thereto and all related trust documents, insurance contracts or other funding vehicles, and (ii) to the extent applicable, (A) the most recent summary plan description, if any, required under ERISA with respect to such Company Benefit Plan, (B) the most recent annual report (Form 5500), if any, filed with the IRS, (C) the most recently received IRS determination letter or IRS advisory opinion letter, if any, relating to such Company Benefit Plan, (D) the most recently prepared actuarial report for each Company Benefit Plan (if applicable), and (E) all material correspondence to or from any Governmental Entity received in the last three years with respect to such Company Benefit Plan.

(c) Each Company Benefit Plan has been established, operated and administered in all material respects in accordance with its terms and the requirements of all applicable laws, including but not limited to ERISA, Code, the Age Discrimination in Employment Act, Consolidated Omnibus Budget Reconciliation Act of 1985, the Health Insurance Portability and Accountability Act ("*HIPAA*") and ACA and all the regulations or rules promulgated thereunder and all material filings, disclosures and notices required thereunder. Neither Company nor its Subsidiaries has, within the prior three (3) years, taken any action to take corrective action or make a filing under any voluntary correction program of the IRS, Department of Labor or any other Governmental Entity with respect to any Company Benefit Plan, and neither Company nor its Subsidiaries has any knowledge of any plan defect that would qualify for correction under any such program.

(d) Company Disclosure Schedule Section 3.11(d) identifies each Company Benefit Plan that is intended to be qualified under Section 401(a) of the Code (the "*Company Qualified Plans*"). The IRS has issued a favorable determination or advisory opinion letter with respect to each Company Qualified Plan and the related trust, which letter has not been revoked (nor has revocation been threatened in writing), and, to the knowledge of Company, there are no existing circumstances and no events have occurred that would reasonably be expected to adversely affect the qualified status of any Company Qualified Plan or the related trust. No trust funding any Company Benefit Plan is intended to meet the requirements of Section 501(c)(9) of the Code.

(e) Neither Company nor any ERISA Affiliate maintains a Company Benefit Plan that is subject to Section 412 of the Code or Title IV of ERISA. No Controlled Group Liability with respect to an employee benefit plan that is not a Company Benefit Plan has been incurred by Company or its ERISA Affiliates that has not been satisfied in full, and, to the knowledge of Company, no condition exists that presents a material risk to Company or its ERISA Affiliates of incurring any such liability. For purposes of this Agreement, "*Controlled Group Liability*" means any and all liabilities (i) under Title IV of ERISA, (ii) under Section 302 of ERISA, (iii) under Sections 412 and 4971 of the Code, and (iv) as a result of a failure to comply with the continuing coverage requirements of Section 601 et. seq. of ERISA and Section 4980B of the Code. For purposes of this Agreement, "*ERISA Affiliate*" means, with respect to any entity, trade or business, any other entity, trade or business that is, or was at the relevant time, a member of a group described in Section 414(b), (c), (m) or (o) of the Code or Section 4001(b)(1) of ERISA that includes or included the first entity, trade or business, or that is, or was at the relevant time, a member of the same "controlled group" as the first entity, trade or business pursuant to Section 4001(a)(14) of ERISA.

(f) None of Company, its Subsidiaries or any of their respective ERISA Affiliates has, at any time during the last six (6) years, contributed to or been obligated to contribute to any plan that is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA (a "*Multiemployer Plan*") or a plan that has two or more contributing sponsors at least two of whom are not under common control, within the meaning of Section 4063 of ERISA (a "*Multiple Employer Plan*"), and none of Company, its Subsidiaries or any of their respective ERISA Affiliates has incurred any liability to a Multiemployer Plan or Multiple Employer Plan as a result of a complete or partial withdrawal (as those terms are defined in Part I of Subtitle E of Title IV of ERISA) from a Multiemployer Plan or Multiple Employer Plan that has not been satisfied in full.

(g) Except as provided in Company Disclosure Schedule Section 3.11(g), neither Company nor its Subsidiaries sponsors, has sponsored or has any obligation with respect to any employee benefit plan that provides for any post-employment or post-retirement health or medical or life insurance benefits for retired or former employees or beneficiaries or dependents thereof, except as required by Section 4980B of the Code or similar state law.

(h) All contributions required to be made to any Company Benefit Plan by applicable law or by any plan document or other contractual undertaking, and all premiums due or payable with respect to insurance policies funding any Company Benefit Plan, for any period in the prior three (3) years through the date hereof, have been timely made or paid in full or, to the extent not required to be made or paid on or before the date hereof, have been fully reflected on the books and records of Company, as applicable, except as, either individually or in the aggregate, would not reasonably be expected to result in any material liability to Company and its Subsidiaries.

(i) Except as would not, either individually or in the aggregate reasonably be expected to result in a material liability to Company or its Subsidiaries, there are no pending or, to Company's knowledge, threatened claims (other than claims for benefits in the ordinary course of business), lawsuits or arbitrations that have been asserted or instituted, and, to Company's knowledge, no set of circumstances exists that may reasonably be expected to give rise to a claim or lawsuit, against Company Benefit Plans, any fiduciaries thereof with respect to their duties to the Company Benefit Plans or the assets of any of the trusts under any of the Company Benefit Plans.

(j) None of Company, its Subsidiaries or any of their respective ERISA Affiliates has engaged in any "prohibited transaction" (as defined in Section 4975 of the Code or Section 406 of ERISA), which could subject any of the Company Benefit Plans or their related trusts, Company, its Subsidiaries or any of their respective ERISA Affiliates to any material unpaid tax or material penalty imposed under Section 4975 of the Code or Section 502 of ERISA.

(k) Except as provided in Company Disclosure Schedule Section 3.11(k), neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (either alone or in conjunction with any other event) result in, cause the vesting, exercisability or delivery of, cause Company or its Subsidiaries to transfer or set aside any assets to fund any benefits under any Company Benefit Plan, or increase in the amount or value of, any payment, right or other benefit to any employee, officer, director or other service provider of Company or its Subsidiaries. Without limiting the generality of the foregoing, no amount paid or payable (whether in cash, in property or in the form of benefits) by Company or its Subsidiaries in connection with the transactions contemplated hereby (either solely as a result thereof or as a result of such transactions in conjunction with any other event) will be an "excess parachute payment" within the meaning of Section 280G of the Code.

(l) Except as provided in Company Disclosure Schedule Section 3.11(l), no Company Benefit Plan provides for the gross-up or reimbursement of Taxes under Section 409A or 4999 of the Code. No such gross-up or reimbursement of Taxes under Section 409A or 4999 of the Code shall be required in connection with the transactions contemplated hereby (either solely as a result thereof or as a result of such transactions in conjunction with any other event).

(m) There are no pending or, to Company's knowledge, threatened material labor grievances or unfair labor practice claims or charges against Company or its Subsidiaries, or any strikes or other material labor disputes against Company or its Subsidiaries. Neither Company nor its Subsidiaries is party to or bound by any collective bargaining or similar agreement with any labor organization, or work rules or practices agreed to with any labor organization or employee association applicable to employees of Company or its Subsidiaries and, to Company's knowledge, there are no organizing efforts by any union or other group seeking to represent any employees of Company or its Subsidiaries.

(n) The Company Benefit Plans that are deferred compensation plans, programs or arrangements, within the meaning of Section 409A of the Code: (i) are in documentary compliance with Section 409A of the Code; and (ii) to the Knowledge of the Company, have been maintained and operated in compliance with Section 409A of the Code, such that in either case no penalties pursuant to Section

409A of the Code may be imposed on participants in such plans. All Company Stock Options have been granted with a per share exercise price or reference price at least equal to the fair market value (as defined pursuant to Section 409A of the Code) of the underlying stock on the date of grant.

(o) Company Disclosure Schedule 3.11(o) sets forth, as of the payroll date immediately preceding the date of this Agreement, a list of the full names of all officers and employees of Selling Bank or the Company, their job title and rate of salary, and their date of hire.

(p) Company Disclosure Schedule 3.11(p) includes a schedule of all termination benefits and related payments that would be payable to, or accelerated with respect to, the individuals identified thereon under any employment agreement, change in control agreement, severance arrangements or policies, equity incentive plan, supplemental executive retirement plans, bonus plans, deferred compensation plans, salary continuation plans or any material compensation arrangement, or other pension benefit or welfare benefit plan maintained by the Company or any Company Subsidiary for the benefit of officers, employees or directors of the Company or any Company Subsidiary (the "*Benefits Schedule*") assuming their employment or service is terminated without cause as of October 1, 2018 and the Effective Time occurs on such date and based on other assumptions specified in the Benefits Schedule.

Section 3.12. Compliance with Applicable Law.

(a) Company and its Subsidiaries hold, and have at all times since January 1, 2016 held, all licenses, franchises, permits and authorizations necessary for the lawful conduct of their respective businesses and ownership of their respective properties, rights and assets under and pursuant to each (and have paid all fees and assessments due and payable in connection therewith), except where neither the cost of failure to hold nor the cost of obtaining and holding such license, franchise, permit or authorization (nor the failure to pay any fees or assessments) would, either individually or in the aggregate, reasonably be likely to have a Material Adverse Effect on Company, and to the knowledge of Company, no suspension or cancellation of any such necessary license, franchise, permit or authorization is threatened. Company and its Subsidiaries have complied in all material respects with and are not in material default or violation under any applicable law, statute, order, rule or regulation of any Governmental Entity applicable to Company or its Subsidiaries, including (to the extent applicable to Company or its Subsidiaries), but not limited to, all laws related to data protection or privacy, the USA PATRIOT Act, the Bank Secrecy Act, the Equal Credit Opportunity Act and Regulation B, the Fair Housing Act, the Community Reinvestment Act, the Fair Credit Reporting Act, the Truth in Lending Act and Regulation Z, the Home Mortgage Disclosure Act, the Fair Debt Collection Practices Act, the Electronic Fund Transfer Act, the Dodd-Frank Act, any regulations promulgated by the Consumer Financial Protection Bureau, the Interagency Policy Statement on Retail Sales of Nondeposit Investment Products, the SAFE Mortgage Licensing Act of 2008, the Real Estate Settlement Procedures Act and Regulation X, and any other law relating to bank secrecy, discriminatory lending, financing or leasing practices, money-laundering prevention, Sections 23A and 23B of the Federal Reserve Act, the Sarbanes-Oxley Act, and all agency requirements relating to the origination, sale and servicing of mortgage and consumer loans. Except as would not reasonably be likely, either individually or in the aggregate, to have a Material Adverse Effect on Company, neither Company nor its Subsidiaries, or to the knowledge of Company, any director, officer, employee, agent or other person acting on behalf of Company or its Subsidiaries has, directly or indirectly, (i) used any funds of Company or its Subsidiaries for unlawful contributions, unlawful gifts, unlawful entertainment or other expenses relating to political activity, (ii) made any unlawful payment to foreign or domestic governmental officials or employees or to foreign or domestic political parties or campaigns from funds of Company or its Subsidiaries, (iii) violated any provision that would result in the violation of the Foreign Corrupt Practices Act of 1977, as amended, or any similar law, (iv) established or maintained any unlawful fund of monies or other assets of Company or its Subsidiaries, (v) made any fraudulent entry on the books or records of Company or its Subsidiaries, or (vi) made any unlawful bribe, unlawful rebate, unlawful payoff.

unlawful influence payment, unlawful kickback or other unlawful payment to any person, private or public, regardless of form, whether in money, property or services, to obtain favorable treatment in securing business to obtain special concessions for Company or its Subsidiaries, to pay for favorable treatment for business secured or to pay for special concessions already obtained for Company or its Subsidiaries, or is currently subject to any sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department.

Section 3.13. Certain Contracts.

(a) Company Disclosure Schedule Section 3.13(a) lists, as of the date hereof, all contract, arrangement, commitment or understanding (whether written or oral), other than any Company Benefit Plan, entered into by Company or its Subsidiaries or by which Company or its Subsidiaries may be bound: (i) which is a "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC); (ii) which contains a non-compete or client or customer non-solicit requirement or any other provision that materially restricts the conduct of any line of business by Company or its Subsidiaries or upon consummation of the Merger will materially restrict the ability of the Surviving Entity or its Subsidiaries to engage in any line of business that is material to Company and its Subsidiaries, taken as a whole; (iii) with or to a labor union or guild (including any collective bargaining agreement); (iv) which includes any bonus, stock options, restricted stock, stock appreciation right or other employee benefit agreement or arrangement; (v) which, upon the consummation of the transactions contemplated by this Agreement (with alone or upon the occurrence of any additional acts or events) will result in any payment (whether change of control, severance pay or otherwise) becoming due from Company, the Surviving Entity or any of their respective Subsidiary to any officer, employee or director; (vi) the benefits of which will be increased or the vesting of benefits of which will be accelerated by the occurrence of any of the transactions contemplated by this Agreement; or (vii) that grants any right of first refusal, right of first offer or similar right with respect to any material assets, rights or properties of Company or its Subsidiaries, taken as a whole. Section 3.13(a) of the Company Disclosure Schedule also lists Company contracts: (i) related to the borrowing by Company or its Subsidiaries of money other than those entered into in the Ordinary Course of Business and any guaranty of any obligation for the borrowing of money, excluding endorsements made for collection, repurchase or resell agreements, letters of credit and guaranties made in the Ordinary Course of Business; (ii) relating to the lease of personal property having a value in excess of \$50,000 in the aggregate; (iii) relating to any joint venture, partnership, limited liability company agreement or other similar agreement or arrangement; (iv) which relates to capital expenditures and involves future payments in excess of \$100,000 in the aggregate; or (v) which is not terminable on sixty (60) days or less notice and involves the payment of more than \$100,000 per annum. Each contract, arrangement, commitment or understanding of the type described in this Section 3.13(a), whether or not set forth in Company Disclosure Schedule, is referred to herein as a "*Company Contract*," and neither Company nor its Subsidiaries knows of, or has received written, or to Company's knowledge, oral notice of, any violation of the above by any of the other parties thereto which would reasonably be likely to have a Material Adverse Effect on Company. Company has made available to Purchaser complete and correct copies of all Company Contracts identified on Company Disclosure Schedule 3.13(a).

(b) In each case, except as would not reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Company: (i) each Company Contract is valid and binding on Company or its Subsidiaries, as applicable, and in full force and effect, (ii) Company and its Subsidiaries have performed all obligations required to be performed by it prior to the date hereof under each Company Contract, (iii) to Company's knowledge, each third-party counterparty to each Company Contract has performed all obligations required to be performed by it to date under such Company Contract and (iv) no event or condition exists which constitutes or, after notice or lapse of time or both, will constitute, a default on the part of Company or its Subsidiaries under any such Company Contract.

(c) Company Disclosure Schedule 3.13(e) sets forth a true and complete list of all Company Contracts pursuant to which consents, waivers or notices are or may be required to be given thereunder, in each case, prior to the performance by Company of this Agreement and the consummation of the Merger, the Bank Merger and the other transactions contemplated by this Agreement.

Section 3.14. Agreements with Regulatory Agencies. Neither Company nor its Subsidiaries is subject to any cease-and-desist or other order or enforcement action issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any order or directive by, or has been ordered to pay any civil money penalty by, or has adopted any policies, procedures or board resolutions at the request or suggestion of any Regulatory Agency or other Governmental Entity that currently restricts in any respect the conduct of its business or that in any manner relates to its capital adequacy, its ability to pay dividends, its credit or risk management policies, its management or its business (each, whether or not set forth in Company Disclosure Schedule, a "*Company Regulatory Agreement*"), nor has Company or its Subsidiaries been advised in writing or, to Company's knowledge, orally, by any Regulatory Agency or other Governmental Entity that it is considering issuing, initiating, ordering, or requesting any such Company Regulatory Agreement.

Section 3.15. Risk Management Instruments. Except as would not reasonably be likely to have, individually or in the aggregate, a Material Adverse Effect on Company, all interest rate swaps, caps, floors, option agreements, futures and forward contracts and other similar Derivative Transactions and risk management arrangements, whether entered into for the account of Company, its Subsidiaries or for the account of a customer of Company or its Subsidiaries (the "*Company Risk Management Instruments*"), were entered into in the ordinary course of business and in accordance with applicable rules, regulations and policies of any Regulatory Agency and with counterparties believed to be financially responsible at the time and are legal, valid and binding obligations of Company or its Subsidiaries enforceable in accordance with their terms (except as may be limited by the Enforceability Exceptions) and are in full force and effect. Company and its Subsidiaries have duly performed in all material respects all of their material obligations under the Company Risk Management Instruments to the extent that such obligations to perform have accrued, and, to Company's knowledge, there are no material breaches, violations or defaults or allegations or assertions of such by any party under Company Risk Management Instruments.

Section 3.16. Environmental Matters. Except as would not reasonably be likely to have, individually or in the aggregate, a Material Adverse Effect on Company, Company and its Subsidiaries are in compliance, and at all times since January 1, 2016 have complied, with all applicable federal, state and local laws (including common law), statutes, rules, regulations, orders, decrees, permits, authorizations or legal requirements of any Governmental Entity relating to: (a) the protection or restoration of the environment, health and safety as it relates to Hazardous Substance exposure or natural resource damages, (b) the handling, storage, use, presence, disposal, release or threatened release of, or exposure to, any Hazardous Substance, or (c) noise, odor, wetlands, indoor air, pollution, contamination or any injury to persons or property from exposure to any Hazardous Substance (collectively, "*Environmental Laws*"). There are no legal, administrative, arbitral or other proceedings, claims or actions, or, to the knowledge of Company, investigations of any Governmental Entity or other person pending, or, to the knowledge of Company, threatened against Company of any nature seeking to impose, or that could reasonably be expected to result in the imposition, on Company or its Subsidiaries of any liability or obligation arising under any Environmental Law, pending or threatened against Company, which liability or obligation would reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Company. To the knowledge of Company, there is no reasonable basis for any such proceeding, claim, action or investigation. Company is not subject to any agreement, order, judgment, decree, letter agreement or memorandum of agreement by or with any Governmental Entity or

third party imposing any liability or obligation with respect to any Environmental Law that would reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Company.

Section 3.17. Investment Securities and Commodities.

(a) Each of Company and its Subsidiaries has good title in all material respects to all securities and commodities owned by it (except those sold under repurchase agreements or held in any fiduciary or agency capacity), free and clear of any Lien, except (i) as set forth in the financial statements included in Company Reports or (ii) to the extent that such securities or commodities are pledged in the ordinary course of business to secure obligations of Company or its Subsidiaries. Such securities and commodities are listed in Company Disclosure Schedule 3.17(a) and are valued on the books of Company in accordance with GAAP in all material respects.

(b) Company and its Subsidiaries employ, to the extent applicable, investment, securities, risk management and other policies, practices and procedures that Company believes are prudent and reasonable in the context of their respective businesses, and Company and its Subsidiaries have, since January 1, 2015, been in compliance with such policies, practices and procedures in all material respects.

Section 3.18. Real Property. Except as would not reasonably be likely, either individually or in the aggregate, to have a Material Adverse Effect on Company, Company or its Subsidiaries (a) has good and marketable title to all real property reflected in the latest audited balance sheet included in the Company Reports as being owned by Company or its Subsidiaries or acquired after the date thereof (except properties sold or otherwise disposed of since the date thereof in the ordinary course of business) (the "*Company Owned Properties*"), free and clear of all material Liens, except (i) statutory Liens securing payments not yet due, (ii) Liens for real property Taxes not yet due and payable, (iii) easements, rights of way, and other similar encumbrances that do not materially affect the value or use of the properties or assets subject thereto or affected thereby or otherwise materially impair business operations at such properties and (iv) such imperfections or irregularities of title or Liens as do not materially affect the value or use of the properties or assets subject thereto or affected thereby or otherwise materially impair business operations at such properties (collectively, "*Permitted Encumbrances*"), and (b) is the lessee of all leasehold estates reflected in the latest audited financial statements included in such Company Reports or acquired after the date thereof (except for leases that have expired by their terms since the date thereof) (the "*Company Leased Properties*" and, collectively with the Company Owned Properties, the "*Company Real Property*"), free and clear of all Liens of any nature whatsoever, except for Permitted Encumbrances, and is in possession of the properties purported to be leased thereunder, and each such lease is valid without default thereunder by the lessee or, to Company's knowledge, the lessor. There are no pending or, to the knowledge of Company, threatened condemnation proceedings against Company Real Property. Company Disclosure Schedule 3.18 contains a complete and accurate list of each Company Real Property, including lease commencement and termination dates and any notices required prior to consummation of the transactions contemplated by this Agreement.

Section 3.19. Intellectual Property. Except as set forth on Company Disclosure Schedule 3.19 and except as would not reasonably be likely, either individually or in the aggregate, to have a Material Adverse Effect on Company: (i) Company and its Subsidiaries owns, or is licensed to use (in each case, free and clear of any material Liens other than any Permitted Encumbrances), all Intellectual Property necessary for the conduct of its business as currently conducted; (ii)(A) the use of any Intellectual Property by Company and its Subsidiaries does not infringe, misappropriate or otherwise violate the rights of any person, and (B) no person has asserted to Company in writing that Company or its Subsidiaries has infringed, misappropriated or otherwise violated the Intellectual Property rights of such person; (iii) to the knowledge of Company, no person is challenging, infringing on or otherwise violating

any right of Company or its Subsidiaries with respect to any Intellectual Property owned by Company or its Subsidiaries: (iv) neither Company nor its Subsidiaries has received any written notice of any pending claim with respect to any Intellectual Property owned by Company or its Subsidiaries: (v) to the knowledge of Company, since January 1, 2015, no third party has gained unauthorized access to any information technology networks controlled by and material to the operation of the business of Company and its Subsidiaries; and (vi) Company and its Subsidiaries have taken commercially reasonable actions to avoid the abandonment, cancellation or unenforceability of all material Intellectual Property owned or licensed, respectively, by Company and its Subsidiaries. For purposes of this Agreement, "**Intellectual Property**" means trademarks, service marks, brand names, internet domain names, logos, symbols, certification marks, trade dress and other indications of origin, the goodwill associated with the foregoing and registrations in any jurisdiction of, and applications in any jurisdiction to register, the foregoing, including any extension, modification or renewal of any such registration or application; patents, applications for patents (including divisions, continuations, continuations in part and renewal applications), all improvements thereto and any renewals, extensions or reissues thereof, in any jurisdiction; trade secrets; and copyrights and registrations or applications for registration of copyrights in any jurisdiction, and any renewals or extensions thereof. A true and complete listing of all Intellectual Property owned by Company or its Subsidiaries is contained in Company Disclosure Schedule 3.19.

Section 3.20. Related Party Transactions. Except as set forth on Company Disclosure Schedule 3.20, there are no transactions or series of related transactions, agreements, arrangements or understandings, nor are there any currently proposed transactions or series of related transactions, between Company or its Subsidiaries, on the one hand, and any current director or "executive officer" (as defined in Rule 3b-7 under the Exchange Act) of Company or its Subsidiaries or any person who beneficially owns (as defined in Rules 13d-3 and 13d-5 of the Exchange Act) five percent (5%) or more of the outstanding Company Common Stock (or any of such person's immediate family members or affiliates) (other than the Subsidiaries of Company) on the other hand, of the type required to be reported pursuant to Item 404 of Regulation S-K promulgated under the Exchange Act.

Section 3.21. Reorganization. Company has not taken any action and is not aware of any fact or circumstance that could reasonably be expected to prevent the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

Section 3.22. Antitakeover Provisions. No "control share acquisition," "business combination moratorium," "fair price" or other form of antitakeover statute or regulation is applicable to this Agreement, the Plan of Merger and the transactions contemplated hereby and thereby.

Section 3.23. Broker's Fees. Neither Company nor its Subsidiaries nor any of their respective officers or directors has employed any broker, finder or financial advisor or incurred any liability for any broker's fees, commissions or finder's fees in connection with the Merger or related transactions contemplated by this Agreement, other than Hovde Group, LLC, pursuant to letter agreements, true and complete copies of which have been previously provided to Purchaser and which provide for payment of the amounts set forth on the Company Disclosure Schedule 3.23.

Section 3.24. Opinion. Prior to the execution of this Agreement, Company has received an opinion (which, if initially rendered orally, has been or will be confirmed by a written opinion, dated the same date) from Hovde Group, LLC, to the effect that, as of the date thereof, and based upon and subject to the factors, assumptions and limitations set forth therein, the Merger Consideration pursuant to this Agreement is fair, from a financial point of view, to the holders of Company Common Stock. Such opinion has not been amended or rescinded in any material respect as of the date of this Agreement.

Section 3.25. Company Information. The information relating to Company and its Subsidiaries that is provided by Company or its representatives specifically for inclusion in (a) the Proxy Statement-Prospectus, on the date it (or any amendment or supplement thereto) is first mailed to holders of Company Common Stock or at the time of the Company Meeting, (b) the Registration Statement, when it or any amendment thereto becomes effective under the Securities Act, (c) the documents and financial statements of Company incorporated by reference in the Proxy Statement-Prospectus, the Registration Statement or any amendment or supplement thereto or (d) any other document filed with any other Regulatory Agency in connection herewith, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading. The portions of the Proxy Statement-Prospectus relating to Company and its Subsidiaries will comply in all material respects with the provisions of the Exchange Act and the rules and regulations thereunder. Notwithstanding the foregoing, no representation or warranty is made by Company with respect to statements made or incorporated by reference therein based on information provided or supplied by or on behalf of Purchaser or its Subsidiaries for inclusion in the Proxy Statement-Prospectus or the Registration Statement.

Section 3.26. Loan Portfolio.

(a) As of the date hereof, except as set forth in Company Disclosure Schedule Section 3.26(a), neither Company nor its Subsidiaries is a party to any written or oral (i) loan, loan agreement, note or borrowing arrangement (including leases, credit enhancements, commitments, guarantees and interest-bearing assets) (collectively, "*Loans*") in which Company or any Subsidiaries of Company is a creditor which as of March 31, 2018, had an outstanding balance of \$500,000 or more and under the terms of which the obligor was, as of March 31, 2018, over ninety (90) days or more delinquent in payment of principal or interest, or (ii) Loans with any director, executive officer or principal shareholder of Company or its Subsidiaries (as such terms are defined in 12 C.F.R. Part 215). Company Disclosure Schedule Section 3.26(a) also sets forth a true, correct and complete list of all of the Loans of Company and its Subsidiaries that, as of March 31, 2018 had an outstanding balance of \$500,000 or more and were either classified by Company (A) as of March 31, 2018 as "Other Loans Specially Mentioned," "Special Mention," "Substandard," "Doubtful," "Classified," "Criticized," "Credit Risk Assets," "Concerned Loans," "Watch List" or words of similar import, or (B) on or after January 1, 2015 as "Loss," in all cases together with the principal amount of and accrued and unpaid interest on each such Loan and the aggregate principal amount of and accrued and unpaid interest on such Loans as of March 31, 2018.

(b) Company Disclosure Schedule 3.26(b) identifies each asset of Company or its Subsidiaries that as of March 31, 2018, was classified as other real estate owned ("*OREO*") and the book value thereof as of the date of this Agreement, as well as any assets classified as OREO since March 31, 2018 and any sales of OREO between March 31, 2018 and the date of this Agreement, reflecting any gain or loss with respect to any OREO sold.

(c) Except as would not reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Company, each outstanding Loan of Company and its Subsidiaries (i) is evidenced by notes, agreements or other evidences of indebtedness that are true, genuine and what they purport to be, (ii) to the extent carried on the books and records of Company and its Subsidiaries as secured Loans, has been secured by valid Liens, which have been perfected and (iii) is the legal, valid and binding obligation of the obligor named therein, enforceable in accordance with its terms, subject to the Enforceability Exceptions.

(d) Except as would not reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Company, each outstanding Loan of Company and its Subsidiaries (including Loans held for resale to investors) was solicited and originated, and is and has been administered and,

where applicable, serviced, and the relevant Loan files are being maintained, in all material respects in accordance with the relevant notes or other credit or security documents, the applicable written underwriting standards of Company and its Subsidiaries (and, in the case of Loans held for resale to investors, the applicable underwriting standards, if any, of the applicable investors) and with all applicable federal, state and local laws, regulations and rules.

(e) None of the agreements pursuant to which Company or its Subsidiaries has sold Loans or pools of Loans or participations in Loans or pools of Loans contains any obligation to repurchase such Loans or interests therein solely on account of a payment default by the obligor on any such Loan.

(f) There are no outstanding Loans made by Company or its Subsidiaries to any "executive officer" or other "insider" (as each such term is defined in Regulation O promulgated by the Federal Reserve Board) of Company or its Subsidiaries, other than Loans that are subject to and that were made and continue to be in compliance with Regulation O or that are exempt therefrom.

(g) Neither Company nor its Subsidiaries is now nor has it ever been since January 1, 2015, subject to any material fine, suspension, settlement or other contract or other administrative agreement or sanction by, or any reduction in any loan purchase commitment from, any Governmental Entity or Regulatory Agency relating to the origination, sale or servicing of mortgage or consumer Loans.

(h) As to each Loan that is secured whether in whole or in part, by a guaranty of the United States Small Business Administration or any other Governmental Authority, such guaranty is in full force and effect, and to Company's knowledge, will remain in full force and effect following the Effective Time, in each case, without any further action by Company or its Subsidiaries subject to the fulfillment of their obligations under the agreement with the Small Business Administration that arise after the date hereof.

Section 3.27. Adequacy of Allowances for Losses. Each of the allowances for losses on loans, financing leases and other real estate reflected or reserved against on the consolidated balance sheet of Purchaser included in its Company Reports for the quarter ended March 31, 2018 (along with any subsequent balance sheet required to be delivered hereunder) is, and with respect to the consolidated balance sheets delivered as of the dates subsequent to the execution of this Agreement will be as of the dates thereof, adequate in accordance with applicable regulatory guidelines and GAAP in all material respects, and, to the Knowledge of the Company, there are no facts or circumstances that are likely to require in accordance with applicable regulatory guidelines or GAAP a future material increase in any such provisions for losses or a material decrease in any of the allowances therefor. Each of the allowances for losses on loans, financing leases and other real estate reflected on the books of the Company at all times from and after the date of the balance sheet, and will be, adequate in accordance with applicable regulatory guidelines and GAAP in all material respects, and, to the Knowledge of the Company, there are no facts or circumstances that are likely to require, in accordance with applicable regulatory guidelines or GAAP, a future material increase in any of such provisions for losses or a material decrease in any of the allowances therefor.

Section 3.28. Privacy of Customer Information.

(a) The Company and its Subsidiaries, as applicable, are the sole owners of all individual identifiable personal information ("IPI") relating to customers, former customers and prospective customers whose data is housed within the CSI Newpoint core processing system and that will be transferred to Purchaser or a Subsidiary of Purchaser pursuant to this Agreement and the other transactions contemplated hereby. For purposes of this Section 3.28, "IPI" means any information relating to identified or identifiable natural person, including, but not limited to "personally identifiable financial information" as that term is defined in 12 CFR Part 1016.

(b) The Company and its Subsidiaries' collection and use of such HPI, the transfer of such HPI to Purchaser or any of its Subsidiaries, and the use of such HPI by Purchaser or any of its Subsidiaries complies in all material respects with all applicable privacy policies, the Fair Credit Reporting Act, the Gramm-Leach-Bliley Act and all other applicable state, federal and foreign privacy Laws, and any contract or industry standard relating to privacy.

Section 3.29. Technology Systems.

(a) Except to the extent disclosed on Company Disclosure Schedule Section 3.29(a), to the knowledge of the Company no material action will be necessary as a result of the transactions contemplated by this Agreement to enable use of the Technology Systems to continue by the Surviving Entity and its Subsidiaries to the same extent and in the same manner that it has been used by the Company and its Subsidiaries prior to the Effective Time.

(b) The Technology Systems (for a period of 18 months prior to the Effective Time) have not suffered unplanned disruption causing a Material Adverse Effect on the Company. Except for ongoing payments due under Contracts with third parties, the Technology Systems are free from any Liens (other than Permitted Liens). Access to business-critical parts of the Technology Systems is not shared with any third party.

(c) The Company has furnished to Purchaser a true and correct copy of its Business Continuity Plan.

(d) Neither the Company nor any of its Subsidiaries has received notice of and is not aware of any material circumstances, including the execution of this Agreement, that would enable any third party to terminate any of its or any of its Subsidiaries' agreements or arrangements relating to the Technology Systems (including maintenance and support).

Section 3.30. Medical Marijuana Business.

(a) As of the date hereof, the Company has (A) publicly announced that it is no longer providing banking and deposit services to medical marijuana businesses or related entities or customer (i.e., those holding a medical marijuana state approved license) (the "**Medical Marijuana Business**"); and (B) sold or disposed of any and all assets and liabilities related to the Medical Marijuana Business.

(b) Until the sale and disposition of the Medical Marijuana Business, to the knowledge of the Company it operated such Medical Marijuana Business in accordance with the directives and guidance forth in "BSA Expectations Regarding Marijuana-Related Businesses," dated February 14, 2014 (F 2014-G001), issued by the Department of the Treasury Financial Crimes Enforcement Network ("**FinCEN**"), including but not limited to (A) the timely filing of all required suspicious activity reports ("**SAR**") on marijuana-related business customers, including (1) "Marijuana Limited" SAR filings; (2) "Marijuana Priority" SAR filings and (3) "Marijuana Termination" SAR filings, as applicable, and currency transaction reports and FinCEN Form 8300 reports in connection with marijuana-related business customers.

(c) Until the sale and disposition of the Medical Marijuana Business, to the knowledge of the Company it monitored customers engaged in the Medical Marijuana Business in accordance with the laws of the State of Florida, including but not limited to Article X Section 29 of the Florida Constitution and Section 381.986 of the Florida Statutes and the guidance provided by the Florida Department of Health Office of Medical Marijuana Use.

Section 3.31. Insurance.

(a) Except as would not reasonably be likely, either individually or in the aggregate, to have a Material Adverse Effect on Company: (a) Company and its Subsidiaries are insured with reputable insurers against such risks and in such amounts as the management of Company reasonably has determined to be prudent and consistent with industry practice, and neither Company nor its Subsidiaries has received notice to the effect that any of them are in default under any material insurance policy; (b) each such policy is outstanding and in full force and effect and, except for policies insuring against potential liabilities of officers, directors and employees of Company and its Subsidiaries, Company or its Subsidiaries thereof is the sole beneficiary of such policies, and (c) all premiums and other payments due under any such policy have been paid, and all claims thereunder have been filed in due and timely fashion. Company Disclosure Schedule 3.31(a) identifies all of the insurance policies currently maintained by Company and its Subsidiaries, including the insurer, policy numbers, amount of coverage, effective and termination dates and any pending claims thereunder involving more than \$10,000 ("*Insurance Policies*").

(b) Company Disclosure Schedule 3.31(b) sets forth a true, correct and complete description of all bank owned life insurance ("*BOLI*") owned by Company or its Subsidiaries, including the value of such BOLI as of the end of the month prior to the date hereof. The value of the BOLI is and has been fairly and accurately reflected in Company's financial statements in accordance with GAAP. All BOLI is owned solely by Selling Bank and no other person has any ownership claims with respect to such BOLI or proceeds of insurance derived therefrom and there is no split dollar or similar benefit under Company's BOLI. The Company and each Company Subsidiary, as applicable, has obtained written consent for each employee on whose behalf BOLI has been purchased. Neither Company nor its Subsidiaries has any outstanding borrowings secured in whole or in part by its BOLI.

Section 3.32. Representations Not Misleading. No representation or warranty by the Company and the Bank in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they were made, not misleading.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Section 4.01. Making of Representations and Warranties.

Except as disclosed in the disclosure schedule delivered by Purchaser to Company concurrently herewith (the "*Purchaser Disclosure Schedule*"), Purchaser hereby represents and warrants to Company that the statements contained in this Article IV are correct as of the date of this Agreement and will be correct as of the Closing Date (as though made on and as of the Closing Date), except as to any representation or warranty which specifically speaks as of an earlier date (including without limitation representations made as of "the date hereof"), which only need be correct as of such earlier date. "Knowledge" or "knowledge" as to Purchaser and any other phrase of similar import means, with respect to any matter in question relating to Purchaser, knowledge of those individuals set forth on Purchaser Disclosure Schedule 4.01(a). Purchaser has made a good faith effort to ensure that the disclosure on each schedule of the Purchaser Disclosure Schedule corresponds to the section referenced herein. However, for purposes of the Purchaser Disclosure Schedule, any item disclosed on any schedule therein or publicly filed with or furnished to the SEC is deemed to be fully disclosed with respect to all sections of this

Agreement under which such item may be relevant as and to the extent that it is reasonably clear on the face of such schedule that such item applies to such other section of this Agreement.

Section 4.02. Organization, Standing and Authority.

(a) Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida and is a bank holding company duly registered under the BHC Act that has elected to be treated as financial holding company under the BHC Act. Purchaser has the corporate power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted. Purchaser is duly licensed or qualified to do business in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary. True and complete copies of Purchaser Articles of Incorporation and Bylaws, as in effect as of the date of this Agreement, have previously been made available by Purchaser to Company.

(b) Each Subsidiary of Purchaser (the "*Purchaser Subsidiaries*") (i) is duly organized and validly existing under the laws of its jurisdiction of organization, (ii) is duly qualified to do business and, where such concept is recognized under applicable law, in good standing in all jurisdictions (whether federal, state, local or foreign) where its ownership or leasing of property or the conduct of its business requires it to be so qualified, except where the failure to be so qualified would not reasonably be likely, either individually or in the aggregate, to have a Material Adverse Effect on Purchaser and (iii) has all requisite corporate power and authority to own or lease its properties and assets and to carry on its business as now conducted. There are no restrictions on the ability of any Subsidiary of Purchaser to pay dividends or distributions except under applicable state law or, in the case of a Subsidiary that is a regulated entity, for restrictions on dividends or distributions generally applicable to all such regulated entities. The deposit accounts of Purchaser Bank are insured by the FDIC through the Deposit Insurance Fund to the fullest extent permitted by law, all premiums and assessments required to be paid in connection therewith have been paid when due, and no proceedings for the termination of such insurance are pending or, to Purchaser's knowledge, threatened.

Section 4.03. Capitalization.

(a) The authorized capital stock of Purchaser consists of (a) 120 million shares of Purchaser Common Stock, \$0.10 par value per share and 4 million shares of preferred stock, \$0.10 par value per share. As of May 31, 2018, 47,301,049 shares of Purchaser Common Stock were issued and outstanding and no shares of preferred stock were issued and outstanding. As of May 31, 2018, 135,223 shares of Purchaser Common Stock are held in treasury, and 1,115,387 shares of Purchaser Common Stock are reserved for issuance upon the exercise of outstanding Purchaser Stock Options. All of the issued and outstanding shares of Purchaser Common Stock have been duly authorized and validly issued and are fully paid, non-assessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. The shares of Purchaser Common Stock to be issued pursuant to this Agreement, when issued in accordance with the terms of this Agreement, will be duly authorized, validly issued, fully paid and non-assessable and will not be subject to preemptive rights. All shares of Purchaser's capital stock issued and outstanding have been issued in compliance with and not in violation of any applicable federal or state securities laws. No bonds, debentures, notes or other indebtedness that have the right to vote on any matters on which shareholders of Purchaser may vote are issued or outstanding. As of the date of this Agreement, no trust preferred or subordinated debt securities of Purchaser are issued or outstanding. Other than equity awards granted under a Purchaser stock plan, there are no outstanding subscriptions, options, warrants, puts, calls, rights, exchangeable or convertible securities or other commitments or agreements obligating Purchaser to issue, transfer, sell, purchase, redeem or otherwise acquire any shares of Purchaser Common Stock or any other equity interests of Purchaser.

(b) There are no voting trusts, shareholder agreements, proxies or other agreements in effect pursuant to which Purchaser or any of its Subsidiaries has a contractual or other obligation with respect to the voting or transfer of the Purchaser Common Stock or other equity interests of Purchaser.

(c) Purchaser owns, directly or indirectly, all of the issued and outstanding shares of capital stock or other equity ownership interests of Purchaser Bank, free and clear of any Liens, and all of such shares or equity ownership interests are duly authorized and validly issued and are fully paid, nonassessable (except, as provided under 12 U.S.C. § 55 or any comparable provision of applicable state law) and free of preemptive rights, with no personal liability attaching to the ownership thereof. No Purchaser Subsidiary has or is bound by any outstanding subscriptions, options, warrants, calls, rights, commitments or agreements of any character calling for the purchase or issuance of any shares of capital stock or any other equity security of such Subsidiary or any securities representing the right to purchase or otherwise receive any shares of capital stock or any other equity security of such Subsidiary.

Section 4.04. Authority; No Violation.

(a) Purchaser has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the Merger have been duly and validly approved by the Board of Directors of Purchaser. The Board of Directors of Purchaser has determined that the Merger, on the terms and conditions set forth in this Agreement, is in the best interests of Purchaser and its shareholders. Except for the adoption of the Bank Merger Agreement by the board of directors of Purchaser Bank and Purchaser as its sole shareholder, no other corporate proceedings on the part of Purchaser are necessary to approve this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Purchaser and (assuming due authorization, execution and delivery by Company) constitutes a valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms (except in all cases as such enforceability may be limited by the Enforceability Exceptions).

(b) Neither the execution and delivery of this Agreement by Purchaser, nor the consummation by Purchaser of the transactions contemplated hereby, nor compliance by Purchaser with any of the terms or provisions hereof, will (i) violate, conflict with or result in a breach of any provision of the Purchaser Articles of Incorporation or Bylaws, or (ii) assuming that the consents, approvals and filings referred to in Section 4.05 are duly obtained and/or made, (x) violate any law, statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to Purchaser, any of its Subsidiaries or any of their respective properties or assets or (y) violate, conflict with, result in a breach of any provision of or the loss of any benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien upon any of the respective properties or assets of Purchaser or any of its Subsidiaries under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which Purchaser or any of its Subsidiaries is a party, or by which they or any of their respective properties or assets may be bound, except (in the case of clause (ii) above) for such violations, conflicts, breaches, defaults, terminations, cancellations, accelerations or creations which, either individually or in the aggregate, would not reasonably be likely to have a Material Adverse Effect on Purchaser.

Section 4.05. Consents and Approvals. Except for: (a) the filing of applications, filings and notices, as applicable, with the Federal Reserve Board under the BHC Act and approval of such applications, filings and notices; (b) the filing of applications, filings and notices, as applicable, with the OCC or any applicable Governmental Authority in connection with the Bank Merger, under the Bank

Merger Act, and approval of such applications, filings and notices; (c) the filing with the SEC of the Proxy Statement-Prospectus and the Registration Statement in which the Proxy Statement-Prospectus will be included as a prospectus, and declaration of effectiveness of the Registration Statement; (d) the filing of the Articles of Merger with the Florida Secretary of State pursuant to the FBCA to the extent required; and (e) such filings and approvals as are required to be made or obtained under the securities or "Blue Sky" laws of various states in connection with the issuance of the shares of Purchaser Common Stock pursuant to this Agreement and the approval of the listing of such Purchaser Common Stock on NASDAQ, no consents or approvals of or filings or registrations with any Governmental Authority are necessary in connection with (A) the execution and delivery by Purchaser of this Agreement or (B) the consummation by Purchaser of the Merger and the other transactions contemplated hereby (including the consummation by Purchaser Bank of the Bank Merger). As of the date hereof, Purchaser is not aware of any reason why the necessary Regulatory Approvals and consents will not be received in order to permit consummation of the Merger and Bank Merger on a timely basis.

Section 4.06. Reports.

(a) Purchaser and each of its Subsidiaries have timely filed (or furnished, as applicable), all reports, registrations and statements, together with any amendments required to be made with respect thereto, that they were required to file (or furnish, as applicable) since January 1, 2016 with any Regulatory Agencies, including any report, registration or statement required to be filed (or furnished, as applicable) pursuant to the laws, rules or regulations of the United States, any state, any foreign entity, or any Regulatory Agency, and have paid all fees and assessments due and payable in connection therewith, except where the failure to file such report, registration or statement or to pay such fees and assessments, either individually or in the aggregate, would not reasonably be likely to have a Material Adverse Effect on Purchaser and its Subsidiaries. Except for examinations of Purchaser and its Subsidiaries conducted by a Regulatory Agency in the ordinary course of business, no Regulatory Agency has initiated or has pending any proceeding or, to the knowledge of Purchaser, investigation into the business or operations of Purchaser or any of its Subsidiaries since January 1, 2016, except where such proceedings or investigation would not reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Purchaser. There is no unresolved violation, criticism, or exception by any Regulatory Agency with respect to any report or statement relating to any examinations or inspections of Purchaser or any of its Subsidiaries, which would reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Purchaser.

(b) An accurate and complete copy of each final registration statement, prospectus, report, schedule and definitive proxy statement filed with or furnished to the SEC by Purchaser or any of its Subsidiaries pursuant to the Securities Act or the Exchange Act, as the case may be, since January 1, 2016 (the "*Purchaser SEC Reports*") is publicly available. No such Purchaser SEC Report, at the time filed, furnished or communicated (and, in the case of registration statements and proxy statements, on the dates of effectiveness and the dates of the relevant meetings, respectively), contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances in which they were made, not misleading, except that information filed or furnished as of a later date (but before the date of this Agreement) shall be deemed to modify information as of an earlier date. As of their respective dates, all Purchaser SEC Reports filed or furnished under the Securities Act and the Exchange Act complied as to form in all material respects with the published rules and regulations of the SEC with respect thereto. As of the date of this Agreement, no executive officer of Purchaser has failed in any respect to make the certifications required of him or her under Section 302 or 906 of the Sarbanes-Oxley Act. As of the date of this Agreement, there are no outstanding comments from or material unresolved issues raised by the SEC with respect to any of the Purchaser SEC Reports.

Section 4.07. Financial Statements.

(a) The financial statements of Purchaser and its Subsidiaries included (or incorporated by reference) in the Purchaser SEC Reports (including the related notes, where applicable) (i) have been prepared from, and are in accordance with, the books and records of Purchaser and its Subsidiaries, (ii) fairly present in all material respects the consolidated results of operations, cash flows, changes in shareholders' equity and consolidated financial position of Purchaser and its Subsidiaries for the respective fiscal periods or as of the respective dates therein set forth (subject in the case of unaudited statements to year-end audit adjustments normal in nature and amount), (iii) complied, as of their respective dates of filing with the SEC, in all material respects with applicable accounting requirements and with the published rules and regulations of the SEC with respect thereto, and (iv) have been prepared in accordance with GAAP consistently applied during the periods involved, except, in each case, as indicated in such statements or in the notes thereto. The books and records of Purchaser and its Subsidiaries have been, since January 1, 2016, and are being maintained in all material respects in accordance with GAAP and any other applicable legal and accounting requirements. Crowe Horwath LLP has not resigned (or informed Purchaser that it intends to resign) or been dismissed as independent public accountants of Purchaser as a result of or in connection with any disagreements with Purchaser on a matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

(b) Except as would not reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Purchaser, neither Purchaser nor any of its Subsidiaries has any material liability of any nature whatsoever (whether absolute, accrued, contingent or otherwise and whether due or to become due), except (i) for those liabilities that are reflected or reserved against on the consolidated balance sheet of Purchaser included in its Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2018 (including any notes thereto), (ii) for liabilities incurred in the ordinary course of business consistent with past practice since March 31, 2018, or (iii) in connection with this Agreement and the transactions contemplated hereby.

(c) The records, systems, controls, data and information of Purchaser and its Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process, whether computerized or not) that are under the exclusive ownership and direct control of Purchaser or its Subsidiaries or accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Purchaser. Purchaser (i) has implemented and maintains disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) to ensure that material information relating to Purchaser, including its Subsidiaries, is made known to the chief executive officer and the chief financial officer of Purchaser by others within those entities as appropriate to allow timely decisions regarding required disclosures and to make the certifications required by the Exchange Act and Sections 302 and 906 of the Sarbanes-Oxley Act, and (ii) has disclosed, based on its most recent evaluation prior to the date hereof, to Purchaser's outside auditors and the audit committee of Purchaser's Board of Directors (x) any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) which are reasonably likely to adversely affect Purchaser's ability to record, process, summarize and report financial information, and (y) to the knowledge of Purchaser, any fraud, whether or not material, that involves management or other employees who have a significant role in Purchaser's internal controls over financial reporting. To the knowledge of Purchaser, there is no reason to believe that Purchaser's outside auditors and its chief executive officer and chief financial officer will not be able to give the certifications and attestations required pursuant to the rules and regulations adopted pursuant to Section 404 of the Sarbanes-Oxley Act, without qualification, when next due.

(d) Since January 1, 2016, (i) neither Purchaser nor any of its Subsidiaries, nor, to the knowledge of Purchaser, any director, executive officer, auditor, accountant or representative of Purchaser or any of its Subsidiaries, has received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or, to the knowledge of Purchaser, oral, regarding the accounting or auditing practices, procedures, methodologies or methods (including with respect to loan loss reserves, write-downs, charge-offs and accruals) of Purchaser or any of its Subsidiaries or their respective internal accounting controls, including any material complaint, allegation, assertion or written claim that Purchaser or any of its Subsidiaries has engaged in questionable accounting or auditing practices, and (ii) no attorney representing Purchaser or any of its Subsidiaries, whether or not employed by Purchaser or any of its Subsidiaries, has reported evidence of a material violation of securities laws, breach of fiduciary duty or similar violation by Purchaser or any of its officers, directors, employees or agents to the Board of Directors of Purchaser or any committee thereof or to the knowledge of Purchaser, to any director or officer of Purchaser.

Section 4.08. Taxes.

(a) Each of Purchaser and its Subsidiaries has duly and timely filed (taking into account all applicable extensions) all material Tax Returns in all jurisdictions in which Tax Returns are required to be filed by it, and all such Tax Returns are true, correct, and complete in all material respects. Neither Purchaser nor any of its Subsidiaries is the beneficiary of any extension of time within which to file any material Tax Return. All material Taxes of Purchaser and its Subsidiaries that are due have been fully and timely paid. No deficiency with respect to a material amount of Taxes has been proposed, asserted or assessed, in each case, in writing, against Purchaser or any of its Subsidiaries. There are no pending or threatened in writing disputes, claims, audits, examinations or other proceedings regarding any material Taxes of Purchaser and its Subsidiaries or the assets of Purchaser and its Subsidiaries. There are no Liens for material Taxes (except Taxes not yet due and payable) on any of the assets of Purchaser or any of its Subsidiaries. Neither Purchaser nor any of its Subsidiaries has been, within the past two (2) years or otherwise as part of a "plan (or series of related transactions)" within the meaning of Section 355(e) of the Code of which the Merger is also a part, a "distributing corporation" or a "controlled corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock intended to qualify for tax-free treatment under Section 355 of the Code.

Section 4.09. Absence of Certain Changes or Events.

(a) Since December 31, 2017, no event or events have occurred that have had or would reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Purchaser.

(b) Since December 31, 2017, except with respect to the transactions contemplated hereby or as required or permitted by this Agreement, Purchaser and its Subsidiaries have carried on their respective businesses in all material respects in the ordinary course.

Section 4.10. Legal Proceedings.

(a) Neither Purchaser nor any of its Subsidiaries is a party to any, and there are no pending or, to Purchaser's knowledge, threatened, legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations of any nature against Purchaser or any of its Subsidiaries or, to Purchaser's knowledge, any of their current or former directors or executive officers (i) that would reasonably be likely to have, either individually or in the aggregate, a Material Adverse Effect on Purchaser or any Purchaser Subsidiary, or (ii) reasonably likely to prevent, materially impede or

materially delay its ability to perform its covenants or agreements under this Agreement or to consummate the transactions contemplated hereby.

(b) There is no material injunction, order, judgment, decree, or regulatory restriction imposed upon Purchaser, any of its Subsidiaries or the assets of Purchaser or any of its Subsidiaries (or that, upon consummation of the Merger, would apply to the Surviving Entity or any of its affiliates).

Section 4.11. Compliance with Applicable Law. Purchaser and each of its Subsidiaries hold, and have at all times since January 1, 2016 held, all licenses, franchises, permits and authorizations necessary for the lawful conduct of their respective businesses and ownership of their respective properties, rights and assets under and pursuant to each (and have paid all fees and assessments due and payable in connection therewith), except where neither the cost of failure to hold nor the cost of obtaining and holding such license, franchise, permit or authorization (nor the failure to pay any fees or assessments) would, either individually or in the aggregate, reasonably be likely to have a Material Adverse Effect on Purchaser, and to the knowledge of Purchaser, no suspension or cancellation or any such necessary license, franchise, permit or authorization is threatened. Purchaser and each of its Subsidiaries have complied in all material respects with and are not in material default or violation under any applicable law, statute, order, rule or regulation of any Governmental Entity applicable to Purchaser or any of its Subsidiaries, including (to the extent applicable to Purchaser or its Subsidiaries), but not limited to, all laws related to data protection or privacy, the USA PATRIOT Act, the Bank Secrecy Act, the Equal Credit Opportunity Act and Regulation B, the Fair Housing Act, the Community Reinvestment Act, the Fair Credit Reporting Act, the Truth in Lending Act and Regulation Z, the Home Mortgage Disclosure Act, the Fair Debt Collection Practices Act, the Electronic Fund Transfer Act, the Dodd-Frank Act, any regulations promulgated by the Consumer Financial Protection Bureau, the Interagency Policy Statement on Retail Sales of Nondeposit Investment Products, the SAFE Mortgage Licensing Act of 2008, the Real Estate Settlement Procedures Act and Regulation X, and any other law relating to bank secrecy, discriminatory lending, financing or leasing practices, money laundering prevention, Sections 23A and 23B of the Federal Reserve Act, the Sarbanes-Oxley Act, and all agency requirements relating to the origination, sale and servicing of mortgage and consumer loans. Except as would not reasonably be likely, either individually or in the aggregate, to have a Material Adverse Effect on Purchaser, none of Purchaser or its Subsidiaries, or to the knowledge of Purchaser, any director, executive officer, employee, agent or other person acting on behalf of Purchaser or any of its Subsidiaries has, directly or indirectly, (i) used any funds of Purchaser or any of its Subsidiaries for unlawful contributions, unlawful gifts, unlawful entertainment or other expenses relating to political activity, (ii) made any unlawful payment to foreign or domestic governmental officials or employees or to foreign or domestic political parties or campaigns from funds of Purchaser or any of its Subsidiaries, (iii) violated any provision that would result in the violation of the Foreign Corrupt Practices Act of 1977, as amended, or any similar law, (iv) established or maintained any unlawful fund of monies or other assets of Purchaser or any of its Subsidiaries, (v) made any fraudulent entry on the books or records of Purchaser or any of its Subsidiaries, or (vi) made any unlawful bribe, unlawful rebate, unlawful payoff, unlawful influence payment, unlawful kickback or other unlawful payment to any person, private or public, regardless of form, whether in money, property or services, to obtain favorable treatment in securing business to obtain special concessions for Purchaser or any of its Subsidiaries, to pay for favorable treatment for business secured or to pay for special concessions already obtained for Purchaser or any of its Subsidiaries, or is currently subject to any sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department.

Section 4.12. Agreements with Regulatory Agencies. Neither Purchaser nor any of its Subsidiaries is subject to any cease-and-desist or other order or enforcement action issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any order or directive by, or has been ordered to pay any civil money penalty by, or has adopted any policies, procedures or board resolutions at the

request or suggestion of any Regulatory Agency or other Governmental Entity that currently restricts in any material respect the conduct of its business or that in any material manner relates to its capital adequacy, its ability to pay dividends, its credit or risk management policies, its management or its business (each, whether or not set forth in the Purchaser Disclosure Schedule, a "*Purchaser Regulatory Agreement*"), nor has Purchaser or any of its Subsidiaries been advised in writing or, to Purchaser's knowledge, orally, by any Regulatory Agency or other Governmental Entity that it is considering issuing, initiating, ordering or requesting any such Purchaser Regulatory Agreement.

Section 4.13. Reorganization. Purchaser has not taken any action and is not aware of any fact or circumstance that could reasonably be expected to prevent the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

Section 4.14. Purchaser Information. The information relating to Purchaser and its Subsidiaries that is provided by Purchaser or its representatives specifically for inclusion in (a) the Proxy Statement-Prospectus, on the date it (or any amendment or supplement thereto) is first mailed to holders of Company Common Stock or at the time of the Company Meeting, (b) the Registration Statement, when it or any amendment thereto becomes effective under the Securities Act, (c) the documents and financial statements of Purchaser incorporated by reference in the Proxy Statement-Prospectus, the Registration Statement or any amendment or supplement thereto or (d) any other document filed with any other Regulatory Agency in connection herewith, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading. The portions of the Proxy Statement-Prospectus relating to Purchaser and its Subsidiaries will comply in all material respects with the provisions of the Exchange Act and the rules and regulations thereunder. Notwithstanding the foregoing, no representation or warranty is made by Purchaser with respect to statements made or incorporated by reference therein based on information provided or supplied by or on behalf of Company or its Subsidiaries for inclusion in the Proxy Statement-Prospectus or the Registration Statement.

Section 4.15. Financing. Purchaser has, or will have available to it prior to the Closing Date, all funds necessary to satisfy its obligations hereunder.

Section 4.16. Contracts. Each contract, arrangement, commitment or understanding (whether written or oral) which is a "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC) to which Purchaser or any of its Subsidiaries is a party or by which Purchaser or any of its Subsidiaries is bound as of the date hereof has been filed as an exhibit to the most recent Annual Report on Form 10-K filed by Purchaser, or a Quarterly Report on Form 10-Q or Current Report on Form 8-K subsequent thereto (each, a "*Purchaser Contract*"). To the best of Purchaser's knowledge, each Purchaser Contract is a valid and binding on Purchaser or its Subsidiaries and is in full force and effect.

Section 4.17. Representations Not Misleading. No representation or warranty by the Company and the Bank in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they were made, not misleading.

ARTICLE V

COVENANTS

Section 5.01. Covenants of Company. Company will use commercially reasonable efforts to (i) carry on its business, including the business of its Subsidiaries, only in the Ordinary Course of Business and consistent with prudent banking practice and in compliance in all material respects with all

applicable Laws, (ii) preserve its business organizations and assets intact, (iii) keep available to itself and Purchaser the present services of the current officers and employees of Company and its Subsidiaries, (iv) preserve for itself and Purchaser the goodwill of its customers, key employees, lessors and others with whom business relationships exist. During the period from the date of this Agreement and continuing until the Effective Time, except (i) as expressly contemplated or permitted by this Agreement (including as set forth in Section 5.01 of Company's Disclosure Schedule), (ii) with the prior written consent of Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed (*provided, however*, with respect to Section 5.01(q)(i), Section 5.01(r) and Section 5.01(s), if Purchaser shall not have disapproved of Company's request in writing within two (2) Business Days of receipt of such written request from Company, then such request shall be deemed to be approved by Purchaser), or (iii) required by law, Company shall not and shall not permit its Subsidiaries to:

(a) Stock. (i) issue, sell, grant, pledge, dispose of, encumber, or otherwise permit to become outstanding, or authorize the creation of, any additional shares of its stock (except for issuances of Company Common Stock upon the exercise of Company Stock Options outstanding on the date hereof and included in Company Disclosure Schedule 3.03(c)), any Rights, any new award or grant under the Company Stock Plans or otherwise, or any other securities (including units of beneficial ownership interest in any partnership or limited liability company), or enter into any agreement with respect to the foregoing, (ii) except as set forth in Company Disclosure Schedule 5.01(a), accelerate the vesting of any existing Rights, or (iii) except as set forth in Company Disclosure Schedule 5.01(a), directly or indirectly change (or establish a record date for changing), adjust, split, combine, redeem, reclassify, exchange, repurchase or otherwise acquire any shares of its capital stock, or any other securities (including units of beneficial ownership interest in any partnership or limited liability company) convertible into or exchangeable for any additional shares of stock, or any Rights issued and outstanding prior to the Effective Time (other than the acquisition of shares of Company Common Stock from a holder of Company Stock Options in satisfaction of withholding obligations or in payment of the exercise price, as may be permitted pursuant to Company Stock Plans or the applicable award agreements).

(b) Dividends; Other Distributions. Make, declare, pay or set aside for payment of dividends payable in cash, stock or property on or in respect of, or declare or make any distribution on, any shares of its capital stock.

(c) Compensation; Employment Agreements, Etc. Enter into or amend or renew any employment, consulting, compensatory, severance, retention or similar agreements or arrangements with any director, officer or employee of Company or its Subsidiaries, or grant any salary, wage or fee increase or increase any employee benefit or pay any incentive or bonus payments, except (i) normal increases in base salary to employees in the Ordinary Course of Business and pursuant to policies currently in effect, *provided that*, such increases shall not result in an annual adjustment in base compensation (which includes base salary and any other compensation other than bonus payments) of more than five percent (5%) for any individual or three percent (3%) in the aggregate for all employees of Company or its Subsidiaries or trigger or result in an excess parachute payment as defined under Section 280G of the Code, (ii) as may be required by Law, (iii) to satisfy contractual obligations existing or contemplated as of the date hereof, as previously disclosed to Purchaser and set forth in Company Disclosure Schedule 5.01(c), (iv) incentive or bonus payments either in accordance with past practice or in accordance with the terms of the Selling Bank Executive Incentive Plan and set forth in Company Disclosure Schedule 5.01(c), *provided that* such payment does not trigger or result in an excess parachute payment as defined under Section 280G of the Code or (v) severance in accordance with past practice and set forth in Company Disclosure Schedule 5.01(c).

(d) Hiring. Hire any person as an employee of Company or its Subsidiaries, except for at-will employees at an annual rate of salary not to exceed \$75,000 to fill vacancies that may arise from time to time in the Ordinary Course of Business.

(e) Benefit Plans. Enter into, establish, adopt, amend, modify or terminate (except (i) as may be required by or to make consistent with applicable Law, subject to the provision of prior written notice to and consultation with respect thereto with Purchaser, (ii) to satisfy contractual obligations existing as of the date hereof and set forth in Company Disclosure Schedule 5.01(e), (iii) as previously disclosed to Purchaser and set forth in Company Disclosure Schedule 5.01(e), or (iv) as may be required pursuant to the terms of this Agreement) any Company Benefit Plan or other pension, retirement, stock option, stock purchase, savings, profit sharing, deferred compensation, consulting, bonus, group insurance or other employee benefit, incentive or welfare contract, plan or arrangement, or any trust agreement (or similar arrangement) related thereto, in respect of any current or former director, officer or employee of Company or its Subsidiaries.

(f) Transactions with Affiliates. Except pursuant to agreements or arrangements in effect on the date hereof and set forth in Company Disclosure Schedule 5.01(f), pay, loan or advance any amount to, or sell, transfer or lease any properties or assets (real, personal or mixed, tangible or intangible) to, or enter into any agreement or arrangement with, any of its officers or directors or any of their immediate family members or any Affiliates or Associates of any of its officers or directors other than (i) loans in accordance with Regulation O of the Federal Reserve Board (12 CFR Part 215) and consistent with past practice and in the Ordinary Course of Business, or (ii) compensation or business expense advancements or reimbursements in the Ordinary Course of Business.

(g) Dispositions. Except as set forth on Company Disclosure Schedule 5.01(g) or in the Ordinary Course of Business (including the sale, transfer or disposal of other real estate owned), sell, license, lease, transfer, mortgage, pledge, encumber or otherwise dispose of or discontinue any of its rights, assets, deposits, business or properties or cancel or release any indebtedness owed to Company or its Subsidiaries.

(h) Acquisitions. Acquire (other than by way of foreclosures or acquisitions of control in a bona fide fiduciary capacity or in satisfaction of debts previously contracted in good faith, in each case in the Ordinary Course of Business) all or any portion of the assets, debt, business, deposits or properties of any other entity or Person, except for purchases specifically approved by Purchaser pursuant to any other applicable paragraph of this Section 5.01.

(i) Capital Expenditures. Make any capital expenditures in amounts exceeding \$75,000 individually, or \$150,000 in the aggregate.

(j) Governing Documents. Amend Company's articles of incorporation or bylaws or any equivalent documents of any of the Company's Subsidiaries.

(k) Accounting Methods. Implement or adopt any change in its accounting principles, practices or methods, other than as may be required by applicable Laws, GAAP or at the direction of a Governmental Authority.

(l) Contracts. Except as set forth on Company Disclosure Schedule 5.01(l), enter into, amend, modify, terminate, extend, or waive any material provision of, any Company Material Contract, Lease or Insurance Policy, or make any material change in any instrument or agreement governing the terms of any of its securities, or material lease, license or contract, other than normal renewals of contracts, licenses and leases without material adverse changes of terms with respect to Company or its

Subsidiaries, or enter into any contract that would constitute a Company Material Contract if it were in effect on the date of this Agreement, except for any amendments, modifications or terminations requested by Purchaser.

(m) Claims. Other than settlement of foreclosure actions in the Ordinary Course of Business, (i) enter into any settlement or similar agreement with respect to any action, suit, proceeding, order or investigation to which Company or its Subsidiaries is or becomes a party after the date of this Agreement, which settlement or agreement involves payment by Company or its Subsidiaries of an amount which exceeds \$50,000 individually or \$100,000 in the aggregate, or would impose any material restriction on the business of Company or its Subsidiaries or (ii) waive or release any material rights or claims, or agree or consent to the issuance of any injunction, decree, order or judgment restricting or otherwise affecting its business or operations.

(n) Banking Operations. (i) Enter into any material new line of business, introduce any material new products or services, or introduce any material marketing campaigns or any material new sales compensation or incentive programs or arrangements; (ii) reenter the marijuana banking business; (iii) change in any material respect its lending, investment, underwriting, risk and asset liability management and other banking and operating policies, except as required by applicable Law, regulation or policies imposed by any Governmental Authority; (iv) make any material changes in its policies and practices with respect to underwriting, pricing, originating, acquiring, selling, servicing, or buying or selling rights to service Loans, its hedging practices and policies, except as required by applicable Law, regulation or policies imposed by any Governmental Authority; or (v) incur any material liability or obligation relating to retail banking and branch merchandising, marketing and advertising activities and initiatives except in the Ordinary Course of Business.

(o) Derivative Transactions. Enter into any Derivative Transaction.

(p) Indebtedness. Incur any indebtedness for borrowed money other than in the Ordinary Course of Business consistent with past practice with a term not in excess of twelve (12) months (other than creation of deposit liabilities or sales of certificates of deposit in the Ordinary Course of Business), or incur, assume or become subject to, whether directly or by way of any guarantee or otherwise, any obligations or liabilities (whether absolute, accrued, contingent or otherwise) of any other Person, other than the issuance of letters of credit in the Ordinary Course of Business and in accordance with the restrictions set forth in Section 5.01(s).

(q) Investment Securities. (i) Acquire (other than (x) by way of foreclosures or acquisitions in a bona fide fiduciary capacity or (y) in satisfaction of debts previously contracted in good faith), sell or otherwise dispose of any debt security or equity investment or any certificates of deposits issued by other banks, other than securities (A) rated "AA" or higher by either Standard and Poor's Ratings Services of Moody's Investor Service, (B) with a weighted average life of not more than five (5) years and (C) otherwise in the Ordinary Course of Business, nor (ii) change the classification method for any of the Company Investment Securities from "held to maturity" to "available for sale" or from "available for sale" to "held to maturity," as those terms are used in ASC 320.

(r) Deposits. Make any changes to deposit pricing other than such changes that may be made in the Ordinary Course of Business, consistent with past practice.

(s) Loans. Except for loans or extensions of credit approved and/or committed as of the date hereof that are listed in Company Disclosure Schedule Section 5.01(s), (i) make any (A) unsecured loan, if the amount of such unsecured loan, together with any other outstanding unsecured loans made by Company or its Subsidiaries to such borrower or its Affiliates would be in excess of \$100,000, in the

aggregate, (B) jumbo residential real estate loan or home equity line of credit that is not held for sale in excess of \$750,000, (C) any non-qualified mortgage loan (i.e., not for sale to any public government-sponsored enterprise), (D) commercial or industrial loan in excess of \$500,000, (E) SBA loan with a 75% or greater guarantee in excess of \$1,000,000, (F) commercial real estate loan in excess of \$1,000,000 or (G) Construction, Development and Land loan in excess of \$1,000,000; or (ii) participation in any loan or pool of loans. Any loan in excess of the limits set forth in this Section 5.01(s) and any purchase of a participation in a loan or pool of loans shall require the prior written approval of the President or Chief Credit Officer or Credit Administrator of Purchaser Bank, which approval shall not be unreasonably withheld. Notwithstanding the foregoing, Company may, without obtaining the prior written approval of Purchaser Bank (i) effect any modification to a loan or extension of credit that is not rated "substandard" or lower; (ii) extend the loan maturity or renew (A) loans rated "pass" or better up to 5 years, where no additional credit is extended, (B) residential loans or home equity lines of credit rated "pass" or better in accordance with Company's existing policies; and (iii) renew for up to two years any unsecured loan of less than \$100,000 where no additional credit is extended. Company shall not effect any collateral release for any loan rated "special mention" or lower without the prior approval of Purchaser Bank.

(t) Investments or Developments in Real Estate. Make any investment or commitment to invest in real estate or in any real estate development project other than by way of foreclosure or deed in lieu thereof or make any investment or commitment to develop, or otherwise take any actions to develop any real estate owned by Company or its Subsidiaries.

(u) Taxes. Except as required by applicable Law or any Governmental Authority, make, in any manner different from Company's prior custom and practice, or change any material Tax election, file any material amended Tax Return, enter into any material closing agreement, settle or compromise any material liability with respect to Taxes, agree to any material adjustment of any Tax attribute, waive any claim for refund or credit of Taxes, file any claim for a material refund of Taxes, consent to any extension or waiver of the limitation period applicable to any material Tax claim or assessment, or take any other action that results, or could reasonably be expected to give rise to any Liability of the Company, *provided that*, for purposes of this Section 5.01(u), "material" shall mean affecting or relating to \$25,000 or more in Taxes or \$50,000 or more of taxable income.

(v) Compliance with Agreements. Commit any act or omission which constitutes a material breach or default by Company or its Subsidiaries under any agreement with any Governmental Authority or under any Company Material Contract, Lease or other material agreement or material license to which Company or its Subsidiaries is a party or by which any of them or their respective properties are bound or under which any of them or their respective assets, business, or operations receives benefits.

(w) Environmental Assessments. Foreclose on or take a deed or title to any real estate other than single-family residential properties without first conducting an ASTM International ("ASTM") E1527-13 Phase I Environmental Site Assessment (or any applicable successor standard) of the property that satisfies the requirements of 40 C.F.R. Part 312 ("*Phase I*"), or foreclose on or take a deed or title to any real estate other than single-family residential properties if such environmental assessment indicates the presence or likely presence of any Hazardous Substances under conditions that indicate an existing release, a past release, or a material threat of a release of any Hazardous Substances into structures on the property or into the ground, ground water, or surface water of the property.

(x) Adverse Actions. Take any action or knowingly fail to take any action not contemplated by this Agreement that is intended or is reasonably likely to (i) prevent, delay or impair Company's ability to consummate the Merger or the transactions contemplated by this Agreement, or (ii) prevent the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

(y) Additional Actions. Agree to take, make any commitment to take, or adopt any resolutions of its board of directors in support of, any of the actions prohibited by this Section 5.01.

(z) Facilities. Except as required by Law, file any application or make any contract or commitment for the opening, relocation or closing of any, or open, relocate or close any, branch office, loan production or servicing facility or automated banking facility, except for any change that may be requested by Purchaser.

(aa) Restructure. Merge or consolidate itself or its Subsidiaries with any other Person, or restructure, reorganize or completely or partially liquidate or dissolve it or its Subsidiaries.

(bb) Commitments. (i) Enter into any contract with respect to, or otherwise agree or commit to do, or adopt any resolutions of its board of directors or similar governing body in support of, any of the foregoing, or (ii) take any action that is intended or expected to result in any of its representations and warranties set forth in this Agreement being or becoming untrue in any material respect at any time prior to the Effective Time, or in any of the conditions to the Merger not being satisfied or in a violation of any provision of this Agreement, except, in every case, as may be required by applicable Law.

Section 5.02. Covenants of Purchaser.

(a) Affirmative Covenants. From the date hereof until the Effective Time, Purchaser will use commercially reasonable efforts to carry on its business consistent with prudent banking practices and in compliance in all material respects with all applicable Laws.

(b) Negative Covenants. From the date hereof until the Effective Time, Purchaser shall not take any action or knowingly fail to take any action not contemplated by this Agreement that is intended or is reasonably likely to (i) prevent, delay or impair in any material respect Purchaser's ability to consummate the Merger or the transactions contemplated by this Agreement, (ii) prevent the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code, (iii) take any action that is intended or expected to result in any of its representations and warranties set forth in this Agreement being or becoming untrue in any material respect at any time prior to the Effective Time, or in any of the conditions to the Merger not being satisfied or in a violation of any provision of this Agreement, except, in every case, as may be required by applicable Law, or (iv) agree to take, make any commitment to take, or adopt any resolutions of its board of directors in support of, any of the actions prohibited by this Section 5.02.

Section 5.03. Commercially Reasonable Efforts. Subject to the terms and conditions of this Agreement, each of the Parties agrees to use commercially reasonable efforts in good faith to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable Laws, so as to permit consummation of the transactions contemplated hereby as promptly as practicable, including the satisfaction of the conditions set forth in Article VI, and shall cooperate fully with the other Party to that end.

Section 5.04. Shareholder Approval. Following the date that the Registration Statement is declared effective by the SEC, Company shall take, in accordance with applicable Law and the articles of incorporation and bylaws of Company, all action necessary to convene a special meeting of its shareholders as promptly as practicable to consider and vote upon the approval of this Agreement and the transactions contemplated hereby (including the Merger) and any other matters required to be approved by Company's shareholders in order to permit consummation of the Merger and the transactions contemplated hereby (including any adjournment or postponement thereof, the "*Company Meeting*") and shall take all lawful action to solicit such approval by such shareholders. Company shall use its

commercially reasonable efforts to obtain the Requisite Company Shareholder Approval to consummate the Merger and the other transactions contemplated hereby, and shall ensure that the Company Meeting is called, noticed, convened, held and conducted (and that all proxies solicited by Company in connection with the Company Meeting are solicited in compliance with the FBCA), in accordance with the articles of incorporation and bylaws of Company, and all other applicable legal requirements. Except with the prior approval of Purchaser, other than the items noted above, no other matters shall be submitted for the approval of Company shareholders at the Company Meeting.

Except to the extent provided otherwise in Section 5.09, the board of directors of Company shall at all times prior to and during the Company Meeting recommend approval of this Agreement by the shareholders of Company and the transactions contemplated hereby (including the Merger) and any other matters required to be approved by Company's shareholders for consummation of the Merger and the transactions contemplated hereby (the "*Company Recommendation*"), and shall not withhold, withdraw, amend, modify, change or qualify such recommendation in a manner adverse in any respect to the interests of Purchaser or take any other action or make any other public statement inconsistent with such recommendation, and the Proxy Statement-Prospectus shall include the Company Recommendation. In the event that there is present at such meeting, in person or by proxy, sufficient favorable voting power to secure the Requisite Company Shareholder Approval, Company will not adjourn or postpone the Company Meeting unless Company is advised by counsel that failure to do so would result in a breach of the fiduciary duties of the board of directors of Company. Company shall keep Purchaser updated with respect to the proxy solicitation results in connection with the Company Meeting as reasonably requested by Purchaser.

Section 5.05. Registration Statement; Proxy Statement-Prospectus; NASDAQ Listing.

(a) Purchaser and Company agree to cooperate in the preparation of the Registration Statement (including the Proxy Statement-Prospectus and all related documents) to be filed by Purchaser with the SEC in connection with the issuance of Purchaser Common Stock in the transactions contemplated by this Agreement. Company shall use its commercially reasonable efforts to deliver to Purchaser such financial statements and related analysis of Company, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" of Company, as may be required in order to file the Registration Statement, and any other report required to be filed by Purchaser with the SEC, in each case, in compliance with applicable Laws, and shall, as promptly as practicable following execution of this Agreement, prepare and deliver drafts of such information to Purchaser to review. Company agrees to cooperate with Purchaser and Purchaser's counsel and accountants in requesting and obtaining appropriate opinions, consents and letters from Company's independent auditors in connection with the Registration Statement and the Proxy Statement-Prospectus. Purchaser shall, as soon as is practicable, but no later than sixty (60) days after the date hereof, file the Registration Statement with the SEC. Each of Purchaser and Company agree to use their respective commercially reasonable efforts to cause the Registration Statement to be declared effective by the SEC as promptly as reasonably practicable after the filing thereof. Purchaser also agrees to use commercially reasonable efforts to obtain any necessary state securities Law or "blue sky" permits and approvals required to carry out the transactions contemplated by this Agreement. After the Registration Statement is declared effective under the Securities Act, Company, at its own expense, shall promptly mail or cause to be mailed the Proxy Statement-Prospectus to its shareholders.

(b) Purchaser will advise Company, promptly after Purchaser receives notice thereof, of the time when the Registration Statement has become effective or any supplement or amendment has been filed, of the issuance of any stop order or the suspension of the qualification of Purchaser Common Stock for offering or sale in any jurisdiction, of the initiation or threat of any proceeding for any such purpose, or of any request by the SEC for the amendment or supplement of the Registration Statement or upon the

receipt of any comments (whether written or oral) from the SEC or its staff. Purchaser will provide Company and its counsel with a reasonable opportunity to review and comment on the Registration Statement and the Proxy Statement-Prospectus, and all responses to requests for additional information by and replies to comments of the SEC prior to filing such with, or sending such to, the SEC, and Purchaser will provide Company and its counsel with a copy of all such filings made with the SEC. If at any time prior to the Company Meeting there shall occur any event that should be disclosed in an amendment or supplement to the Proxy Statement-Prospectus or the Registration Statement, Purchaser shall use its commercially reasonable efforts to promptly prepare and file such amendment or supplement with the SEC (if required under applicable Law) and cooperate with Company to mail such amendment or supplement to Company shareholders (if required under applicable Law).

(c) Purchaser shall cause the shares of Purchaser Common Stock to be issued in connection with the transactions contemplated by this Agreement to be approved for listing on NASDAQ, subject to official notice of issuance, prior to the Effective Time.

Section 5.06. Regulatory Filings; Consents.

(a) Each of Purchaser and Company and their respective Subsidiaries shall cooperate and use their respective commercially reasonable efforts (i) to prepare all documentation to effect all filings, to obtain all permits, consents, approvals and authorizations of all third parties and Governmental Authorities necessary to consummate the transactions contemplated by this Agreement, the Regulatory Approvals and all other consents and approvals of any Governmental Authority required to consummate the Merger in the manner contemplated herein, (ii) to comply with the terms and conditions of such permits, consents, approvals and authorizations, and (iii) to cause the transactions contemplated by this Agreement to be consummated as expeditiously as practicable; *provided, however*, notwithstanding the foregoing or anything to the contrary in this Agreement, nothing contained herein shall be deemed to require Purchaser or any of its Subsidiaries or Company or any of its Subsidiaries to take any action, or commit to take any action, or agree to any condition or restriction, in connection with obtaining the foregoing permits, consents, approvals and authorizations of any Governmental Authority that would reasonably be likely to have a material and adverse effect (measured on a scale relative to Company) on the condition (financial or otherwise), results of operations, liquidity, assets or deposit liabilities, properties or business of Purchaser or any of its Subsidiaries, after giving effect to the Merger (together, the "*Burdensome Conditions*"). Purchaser and Company will furnish each other and each other's counsel with all information concerning themselves, their Subsidiaries, directors, officers and shareholders and such other matters as may be necessary or advisable in connection with any application, petition or any other statement or application made by or on behalf of Purchaser or Company to any Governmental Authority in connection with the transactions contemplated by this Agreement. Each party hereto shall have the right to review and approve in advance all characterizations of the information relating to such party and any of its Subsidiaries that appear in any filing made in connection with the transactions contemplated by this Agreement with any Governmental Authority, other than material filed in connection therewith under a claim of confidentiality. Purchaser shall, as soon as is practicable, but no later than thirty (30) days after the date hereof, make all filings with Governmental Authorities. In addition, Purchaser and Company shall each furnish to the other for review a copy of the non-confidential portions of each such filing made in connection with the transactions contemplated by this Agreement with any Governmental Authority prior to its filing.

(b) Company will use its commercially reasonable efforts, and Purchaser shall reasonably cooperate with Company at Company's request, to obtain all consents, approvals, authorizations, waivers or similar affirmations described on Company Disclosure Schedule 3.13(c). Each Party will notify the other Party promptly and shall promptly furnish the other Party with copies of notices or other communications received by such Party or any of its Subsidiaries of any communication from any Person

alleging that the consent of such Person (or another Person) is or may be required in connection with the transactions contemplated by this Agreement (and the response thereto from such Party, its Subsidiaries or its representatives). Company will consult with Purchaser and its representatives as often as practicable under the circumstances so as to permit Company and Purchaser and their respective representatives to cooperate to take appropriate measures to obtain such consents and avoid or mitigate any adverse consequences that may result from the foregoing.

Section 5.07. Publicity. Purchaser and Company shall consult with each other before issuing any press release with respect to this Agreement or the transactions contemplated hereby and shall not issue any such press release or make any such public statement without the prior written consent of the other Party, which consent shall not be unreasonably delayed, conditioned or withheld; *provided, however*, that a party may, without the prior written consent of the other party (but after such consultation, to the extent practicable in the circumstances), issue such press release or make such public statements as may upon the advice of counsel be required by Law or the rules and regulations of any stock exchanges. It is understood that Purchaser shall assume primary responsibility for the preparation of joint press releases relating to this Agreement, the Merger and the other transactions contemplated hereby.

Section 5.08. Access; Current Information.

(a) Subject to Section 5.21 hereof, upon reasonable notice and subject to applicable Laws relating to the exchange of information, Company agrees to afford Purchaser and its officers, employees, counsel, accountants and other authorized representatives such access during normal business hours at any time and from time to time throughout the period prior to the Effective Time to Company's and its Subsidiaries' books, records (including, without limitation, Tax Returns and work papers of independent auditors), information technology systems, business, properties and personnel and to such other information relating to them as Purchaser may reasonably request, and Company shall use its commercially reasonable efforts to provide any appropriate notices to employees and/or customers in accordance with applicable Law and Company's privacy policy and, during such period, Company shall furnish to Purchaser, upon Purchaser's reasonable request, all such other information concerning the business, properties and personnel of Company and its Subsidiaries that are substantially similar in scope to the information provided to Purchaser in connection with its diligence review prior to the date of this Agreement.

(b) As soon as reasonably practicable after they become available, Company will furnish to Purchaser copies of the board packages distributed to the board of directors of Company or its Subsidiaries, and minutes from the meetings thereof and all committees thereof, copies of any internal management financial control reports showing actual financial performance against plan and previous period, and copies of any reports provided to the board of directors of Company or any committee thereof relating to the financial performance, operations, or risk management of Company.

(c) During the period from the date of this Agreement to the Effective Time, each of Company and Purchaser will cause one or more of its designated representatives to confer on a regular basis with representatives of the other Party and to report the general status of the ongoing operations of Company and its Subsidiaries and Purchaser and its Subsidiaries, respectively. Without limiting the foregoing, Company agrees to provide to Purchaser (i) a copy of each report filed by Company or its Subsidiaries with a Governmental Authority within three (3) Business Days following the filing thereof unless it is a confidential communication with a Governmental Authority and Company is prohibited by Law from sharing such report, (ii) a copy of Company's monthly loan trial balance within one (1) Business Day of the end of the month, and (iii) a copy of Company's monthly statement of condition and profit and loss statement within five (5) Business Days of the end of the month and, if requested by

Purchaser, a copy of Company's daily statement of condition and daily profit and loss statement, which shall be provided within two (2) Business Days of such request.

(d) Upon reasonable advance notice, Company shall permit, and shall cause its Subsidiaries to permit, Purchaser or an environmental consulting firm selected by Purchaser, and at the sole expense of Purchaser, to conduct such phase I or phase II environmental audits, studies and tests on real property currently owned, leased (to the extent permitted under the lease) or operated by Company or its Subsidiaries. Purchaser shall indemnify Company and its Subsidiaries for all costs and expenses associated with returning the property of Company and its Subsidiaries, as applicable, to its previous condition.

(e) No investigation by Purchaser or its representatives shall be deemed to modify or waive any representation, warranty, covenant or agreement of Company set forth in this Agreement, or the conditions to the respective obligations of Purchaser and Company to consummate the transactions contemplated hereby.

(f) Company shall not be required to give Purchaser any documents (including under Sections 5.08(a) and (b) herein) that disclose confidential discussions of this Agreement or the transactions contemplated hereby or any other matter that Company's board of directors has been advised by counsel that such distribution to Purchaser may violate a confidentiality obligation or fiduciary duty or any Law or regulation, or may result in a waiver of Company's attorney-client privilege. In the event any of the restrictions in this Section 5.08(f) shall apply, Company shall use its commercially reasonable efforts to provide appropriate consents, waivers, decrees and approvals necessary to satisfy any confidentiality issues relating to documents prepared or held by third parties (including work papers), and the Parties will make appropriate alternate disclosure arrangements, including adopting additional specific procedures to protect the confidentiality of sensitive material and to ensure compliance with applicable Laws.

Section 5.09. No Solicitation by Company; Superior Proposals.

(a) Company shall not, and shall cause its Subsidiaries and each of their respective officers, directors and employees not to, and will not authorize any investment bankers, financial advisors, attorneys, accountants, consultants, affiliates or other agents of Company or Company's Subsidiaries (collectively, the "*Company Representatives*") to, directly or indirectly, (i) initiate, solicit, induce or knowingly encourage, or take any action to facilitate the making of, any inquiry, offer or proposal which constitutes, or could reasonably be expected to lead to, an Acquisition Proposal; (ii) participate in any discussions, communications or negotiations regarding any Acquisition Proposal or furnish, or otherwise afford access, to any Person (other than Purchaser) any information or data with respect to Company or its Subsidiaries or otherwise relating to an Acquisition Proposal; (iii) release any Person from, waive any provisions of, or fail to enforce any confidentiality agreement or standstill agreement to which Company is a party; or (iv) enter into any agreement, agreement in principle or letter of intent with respect to any Acquisition Proposal or approve or resolve to approve any Acquisition Proposal or any agreement, agreement in principle or letter of intent relating to an Acquisition Proposal. Any violation of the foregoing restrictions by any of the Company Representatives, whether or not such Company Representative is so authorized and whether or not such Company Representative is purporting to act on behalf of Company or otherwise, shall be deemed to be a breach of this Agreement by Company. Company and its Subsidiaries shall, and shall cause each of the Company Representatives to, immediately cease and cause to be terminated any and all existing discussions, negotiations, and communications with any Persons with respect to any existing or potential Acquisition Proposal.

For purposes of this Agreement, “*Acquisition Proposal*” means any inquiry, offer or proposal (other than an inquiry, offer or proposal from Purchaser), whether or not in writing, contemplating, relating to, or that could reasonably be expected to lead to, an Acquisition Transaction.

For purposes of this Agreement, “*Acquisition Transaction*” means (A) any transaction or series of transactions involving any merger, consolidation, recapitalization, share exchange, liquidation, dissolution or similar transaction involving Company or its Subsidiaries; (B) any transaction pursuant to which any third party or group acquires or would acquire (whether through sale, lease or other disposition), directly or indirectly, 20% or more of the assets of Company or its Subsidiaries; (C) any issuance, sale or other disposition of (including by way of merger, consolidation, share exchange or any similar transaction) securities (or options, rights or warrants to purchase or securities convertible into, such securities) representing 20% or more of the votes attached to the outstanding securities of Company or its Subsidiaries; (D) any tender offer or exchange offer that, if consummated, would result in any third party or group beneficially owning 20% or more of any class of equity securities of Company or its Subsidiaries; or (E) any transaction which is similar in form, substance or purpose to any of the foregoing transactions, or any combination of the foregoing.

(b) Notwithstanding Section 5.09(a) or any other provision of this Agreement, prior to the Company Meeting, Company may take any of the actions described in Section 5.09(a)(ii) if, but only if, (i) Company has received a bona fide unsolicited written Acquisition Proposal that did not result from a breach of this Section 5.09; (ii) the board of directors of Company determines in good faith, after consultation with and having considered the advice of its outside financial advisor and outside legal counsel, that (A) such Acquisition Proposal constitutes or is reasonably likely to lead to a Superior Proposal and (B) it is reasonably necessary to take such actions to comply with its fiduciary duties to Company’s shareholders under applicable Law; (iii) Company has provided Purchaser with at least three (3) Business Days’ prior written notice of such determination; and (iv) prior to furnishing or affording access to any information or data with respect to Company or its Subsidiaries or otherwise relating to an Acquisition Proposal, Company receives from such Person a confidentiality agreement with terms no less favorable to Company than those contained in the confidentiality agreement with Purchaser. Company shall promptly provide to Purchaser any non-public information regarding Company or its Subsidiaries provided to any other Person which was not previously provided to Purchaser, such additional information to be provided no later than the date such information is provided to such other party.

For purposes of this Agreement, “*Superior Proposal*” means a bona fide, unsolicited Acquisition Proposal (i) that if consummated would result in a third party (or in the case of a direct merger between such third party and Company or its Subsidiaries, the shareholders of such third party) acquiring, directly or indirectly, more than 50% of the outstanding Company Common Stock or more than 50% of the assets of Company and its Subsidiaries, taken as a whole, for consideration consisting of cash and/or securities and (ii) that the board of directors of Company determines in good faith, after consultation with its outside financial advisor and outside legal counsel, (A) is reasonably capable of being completed, taking into account all financial, legal, regulatory and other aspects of such proposal, including all conditions contained therein and the person making such Acquisition Proposal, and (B) taking into account any changes to this Agreement proposed by Purchaser in response to such Acquisition Proposal as contemplated by Section 5.09(e), such proposal is more favorable to the shareholders of Company from a financial point of view than the Merger.

(c) Company shall promptly (and in any event within twenty-four (24) hours) notify Purchaser in writing if any proposals or offers are received by, any information is requested from, or any negotiations or discussions are sought to be initiated or continued with, Company or the Company Representatives, in each case in connection with any Acquisition Proposal, and such notice shall indicate the name of the Person initiating such discussions or negotiations or making such proposal, offer or

information request and the material terms and conditions of any proposals or offers (and, in the case of written materials relating to such proposal, offer, information request, negotiations or discussion, providing copies of such materials (including e-mails or other electronic communications), except to the extent (i) that such materials constitute confidential information of the party making such offer or proposal under an effective confidentiality agreement, (ii) discussions of such materials jeopardize the attorney-client privilege or (iii) disclosure of such materials contravenes any law, rule, regulation, order, judgment or decree). Company agrees that it shall keep Purchaser informed, on a reasonably current basis, of the status and terms of any such proposal, offer, information request, negotiations or discussions (including any amendments or modifications to such proposal, offer or request).

(d) Subject to Section 5.09(c), neither the board of directors of Company nor any committee thereof shall (i) withdraw, qualify, amend or modify, or propose to withdraw, qualify, amend or modify the Company Recommendation, in a manner adverse to Purchaser in connection with the transactions contemplated by this Agreement (including the Merger), fail to reaffirm the Company Recommendation within three (3) Business Days following a request by Purchaser, or make any statement, filing or release, in connection with the Company Meeting or otherwise, inconsistent with the Company Recommendation (it being understood that taking a neutral position or no position with respect to an Acquisition Proposal shall be considered an adverse modification of the Company Recommendation); (ii) approve or recommend, or propose to approve or recommend, any Acquisition Proposal; or (iii) enter into (or cause Company or its Subsidiaries to enter into) any letter of intent, agreement in principle, acquisition agreement or other agreement (A) related to any Acquisition Transaction (other than a confidentiality agreement entered into in accordance with the provisions of Section 5.09(b)) or (B) requiring Company to abandon, terminate or fail to consummate the Merger or any other transaction contemplated by this Agreement.

(e) Notwithstanding Section 5.09(d) and subject to compliance with this Section 5.09(e), prior to the approval of the Merger at the Company Meeting, the board of directors of Company may approve or recommend a Superior Proposal to the Company shareholders and withdraw, qualify, amend or modify the Company Recommendation or take any of the other actions otherwise prohibited by Section 5.09(a) (a "*Company Subsequent Determination*") after the fifth (5th) Business Day following Purchaser's receipt of a notice (the "*Notice of Superior Proposal*") from Company advising Purchaser that the board of directors of Company has decided that a bona fide unsolicited written Acquisition Proposal that it received (that did not result from a breach of this Section 5.09) constitutes a Superior Proposal if, but only if, (i) the board of directors of Company has determined in good faith, after consultation with and having considered the advice of outside legal counsel and its financial advisor, that the failure to take such actions would be reasonably likely to violate its fiduciary duties to Company's shareholders under applicable law, (ii) during the five (5) Business Day period after receipt of the Notice of Superior Proposal by Purchaser (the "*Notice Period*"), Company and the board of directors of Company shall have cooperated and negotiated in good faith with Purchaser to make such adjustments, modifications or amendments to the terms and conditions of this Agreement as would enable Company to proceed with the Company Recommendation without a Company Subsequent Determination; *provided, however,* that Purchaser shall not have any obligation to propose any adjustments, modifications or amendments to the terms and conditions of this Agreement and (iii) at the end of the Notice Period, after taking into account any such adjusted, modified or amended terms as may have been proposed by Purchaser since its receipt of such Notice of Superior Proposal, the board of directors of Company has again in good faith made the determination described in clause (i) of this Section 5.09(e) and that such Acquisition Proposal constitutes a Superior Proposal. In the event of any material revisions to the Superior Proposal, Company shall be required to deliver a new Notice of Superior Proposal to Purchaser and again comply with the requirements of this Section 5.09(e), except that the Notice Period shall be reduced to three (3) Business Days.

Section 5.10. Indemnification.

(a) For a period of six (6) years from and after the Effective Time, and in any event subject to the provisions of Section 5.10(b)(iv), Purchaser shall indemnify, defend and hold harmless the present and former directors, officers and employees of Company and its Subsidiaries (the "**Indemnified Parties**"), against all costs or expenses (including reasonable attorney's fees), judgments, fines, losses, claims, damages, or liabilities incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative arising out of actions or omissions of such persons in the course of performing their duties for Company or such Subsidiary occurring at or before the Effective Time (including the transactions contemplated by this Agreement) (each a "**Claim**"), to the same extent as such persons have the right to be indemnified pursuant to the articles of incorporation or bylaws of Company or similar governing documents of such Subsidiary in effect on the date of this Agreement and to the extent permitted by any applicable Law. Purchaser shall pay such expenses to each Indemnified Party to the fullest extent permitted by the provisions of any applicable Law and Company's articles of incorporation and bylaws.

(b) Any Indemnified Party wishing to claim indemnification under this Section 5.10 shall promptly notify Purchaser upon learning of any Claim, *provided that*, failure to so notify shall not affect the obligation of Purchaser under this Section 5.10, unless, and only to the extent that, Purchaser is materially prejudiced in the defense of such Claim as a consequence. In the event of any such Claim (whether asserted or claimed prior to, at or after the Effective Time), (i) Purchaser shall have the right to assume the defense thereof and Purchaser shall not be liable to such Indemnified Parties for any legal expenses or other counsel or any other expenses subsequently incurred by such Indemnified Parties in connection with the defense thereof except that if Purchaser elects not to assume such defense, the Indemnified Parties may retain counsel reasonably satisfactory to them and Purchaser, and Purchaser shall pay the reasonable fees and expenses of such counsel for the Indemnified Parties (provided that Purchaser shall only be obligated to pay the reasonable fees and expenses of one such counsel), (ii) the Indemnified Parties will cooperate in the defense of any such matter, (iii) Purchaser shall not be liable for any settlement effected without its prior written consent, and (iv) Purchaser shall have no obligation hereunder to any Indemnified Party if such indemnification would be in violation of any applicable federal or state banking Laws or regulations, or in the event that a federal or state banking agency or a court of competent jurisdiction shall determine that indemnification of an Indemnified Party in the manner contemplated hereby is prohibited by applicable Laws, whether or not related to banking Laws.

(c) For a period of six (6) years following the Effective Time, Purchaser will use its commercially reasonable efforts to provide director's and officer's liability insurance (herein, "**D&O Insurance**") that serves to reimburse the present and former officers and directors of Company or its Subsidiaries (determined as of the Effective Time) with respect to claims against such directors and officers arising from facts or events occurring before the Effective Time (including the transactions contemplated hereby), which insurance will contain at least the same coverage and amounts, and contain terms and conditions no less advantageous to the Indemnified Party, as that coverage currently provided by Company; *provided that*, if Purchaser is unable to maintain or obtain the insurance called for by this Section 5.10, Purchaser will provide as much comparable insurance as is reasonably available (subject to the limitations described below in this Section 5.10(d)); and *provided, further*, that officers and directors of Company or its Subsidiaries may be required to make application and provide customary representations and warranties to the carrier of the D&O Insurance for the purpose of obtaining such insurance. In no event shall Purchaser be required to expend in the aggregate for such six (6) years' tail insurance a premium amount in excess of 200% of the annual premium paid by Company for D&O Insurance in effect as of the date of this Agreement (the "**Maximum D&O Tail Premium**"). If the cost of such tail insurance exceeds the Maximum D&O Tail Premium, Purchaser shall obtain tail insurance coverage or a separate tail insurance policy with the greatest coverage available for a cost not exceeding

the Maximum D&O Tail Premium. Notwithstanding the foregoing, Purchaser shall not provide any D&O Insurance to the extent payments under such D&O Insurance may violate applicable law, including but not limited to 12 CFR Part 359.

(d) If Purchaser or any of its successors and assigns (i) shall consolidate with or merge into any other corporation or entity and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) shall transfer all or substantially all of its property and assets to any individual, corporation or other entity, then, in each such case, proper provision shall be made so that the successors and assigns of Purchaser and its Subsidiaries shall assume the obligations set forth in this Section 5.10.

Section 5.11. Employees; Benefit Plans.

(a) Following the Effective Time, Purchaser shall maintain or cause to be maintained employee benefit plans and compensation opportunities for the benefit of employees who are full time employees of Company or its Subsidiaries on the Closing Date ("**Covered Employees**") that provide employee benefits and compensation opportunities which, in the aggregate, are substantially comparable to the employee benefits and compensation opportunities that are made available on a uniform and non-discriminatory basis to similarly situated employees of Purchaser or its Subsidiaries, as applicable; *provided, however*, that in no event shall any Covered Employee be eligible to participate in any closed or frozen plan of Purchaser or its Subsidiaries. Purchaser shall give the Covered Employees full credit for their prior service with Company and its Subsidiaries (i) for purposes of eligibility (including initial participation and eligibility for current benefits) and vesting under any qualified employee benefit plan maintained by Purchaser and in which Covered Employees may be eligible to participate, and (ii) for all purposes under any welfare benefit plans, vacation plans, severance plans and similar arrangements maintained by Purchaser.

(b) With respect to any employee benefit plan of Purchaser that is a health, dental, vision or other welfare plan in which any Covered Employee is eligible to participate, for the plan year in which such Covered Employee is first eligible to participate, Purchaser or its applicable Subsidiary shall use its commercially reasonable efforts to (i) cause any pre-existing condition limitations or eligibility waiting periods under such Purchaser or its Subsidiary plan to be waived with respect to such Covered Employee and his or her covered dependents to the extent such condition was or would have been covered under the Company Benefit Plan in which such Covered Employee participated immediately prior to the Effective Time, and (ii) recognize any health, dental, vision or other welfare expenses incurred by such Covered Employee and his or her covered dependents in the year that includes the Closing Date (or, if later, the year in which such Covered Employee is first eligible to participate) for purposes of any applicable copayment, deductibles and annual out-of-pocket expense requirements under any such health, dental, vision or other welfare plan. Neither Purchaser nor any of its Subsidiaries shall terminate the existing coverage of any Covered Employee or his or her dependents under any of the Company or Company Subsidiary health plans prior to the time such Covered Employees and their dependents become eligible to participate in the health plans, programs and benefits common to all employees of Purchaser or any Purchaser Subsidiary and their dependents.

(c) Prior to the Effective Time, Company shall take, and shall cause its Subsidiaries to take, all actions requested by Purchaser that may be necessary or appropriate to (i) cause one or more Company Benefits Plans to terminate as of the Effective Time, or as of the date immediately preceding the Effective Time, (ii) cause benefit accruals and entitlements under any Company Benefit Plan to cease as of the Effective Time, or as of the date immediately preceding the Effective Time, (iii) cause the continuation on and after the Effective Time of any contract, arrangement or insurance policy relating to any Company Benefit Plan for such period as may be requested by Purchaser, or (iv) facilitate the merger of any

Company Benefit Plan into any employee benefit plan maintained by Purchaser or a Purchaser Subsidiary. All resolutions, notices, or other documents issued, adopted or executed in connection with the implementation of this Section 5.11(e) shall be subject to Purchaser's reasonable prior review and approval, which shall not be unreasonably withheld, conditioned or delayed. If Purchaser requires Company to terminate a medical plan having a flexible spending arrangement ("FSA") under Code Section 125, Company and each of its Subsidiaries may continue its FSA through the Effective Time.

(d) Nothing in this Section 5.11 shall be construed to limit the right of Purchaser or any of its Subsidiaries (including, following the Closing Date, Company and its Subsidiaries) to amend or terminate any Company Benefit Plan or other employee benefit plan, to the extent such amendment or termination is permitted by the terms of the applicable plan, nor shall anything in this Section 5.11 be construed to require Purchaser or any of its Subsidiaries (including, following the Closing Date, Company and its Subsidiaries) to retain the employment of any particular Covered Employee for any fixed period of time following the Closing Date, and, except as otherwise provided pursuant to Section 6.03(g), the continued retention (or termination) by Purchaser or any of its Subsidiaries of any Covered Employee subsequent to the Effective Time shall be subject in all events to Purchaser's or its applicable Subsidiary's normal and customary employment procedures and practices, including customary background screening and evaluation procedures, and satisfactory employment performance.

(e) If, within six (6) months after the Effective Time, unless otherwise addressed in an employment agreement entered into with Purchaser Bank, any Covered Employee who is terminated by Purchaser or its Subsidiaries other than "for cause" (as defined under the policies of Purchaser and/or its Subsidiaries) or resigns because he or she was offered a position with a material reduction in rate of base pay or that is outside a 50-mile radius of the current address of his or her primary work location at Company, then Purchaser shall pay severance to such Covered Employee in an amount as set forth in the severance policies in Purchaser Disclosure Schedule 5.11(e). Each Covered Employee entitled to severance pursuant to the foregoing shall be required to execute a general release of claims, satisfactory to the Purchaser, in order to receive such severance. Any severance to which a Covered Employee may be entitled in connection with a termination occurring more than six (6) months after the Effective Time will be as set forth in the severance policies of Purchaser and its Subsidiaries as then in effect.

(f) At the Effective Time, all accrued and unused sick time for all employees of Company and its Subsidiaries and all accrued and unused vacation time for all employees of Company and its Subsidiaries shall be accorded such treatment as set forth in Purchaser Disclosure Schedule 5.11(f).

(g) Prior to the Effective Time, Company shall, as directed by Purchaser, (i) cause the termination of each non-qualified deferred compensation, salary continuation and supplemental executive retirement plan, program or agreement between Company and/or its Subsidiaries and any director, officer or employee, and (ii) pay all amounts due its officers, directors and employees pursuant to the supplemental executive retirement plans, programs and agreements and pursuant to the change in control provisions applicable under any Company Benefit Plan in accordance with Section 409A of the Code. Company Disclosure Schedule 5.11(g) sets forth all estimated payments to be made by Company pursuant to this Section 5.11(g).

(h) Purchaser shall honor the employment agreements, change in control agreements and severance arrangements in effect as set forth in Company Disclosure Schedule 3.11(a), unless superseded or terminated as of the Effective Time, with the written consent of the affected parties.

(i) Company shall establish a retention bonus pool to be paid to certain designated Company employees, with such recipients, amounts of payments and timing of payments to be agreed to in writing by the parties no later than 45 days following the date of this Agreement. The aggregate amount of such

retention bonuses payable pursuant to the retention bonus pool shall not exceed \$200,000 in the aggregate.

Section 5.12. Notification of Certain Changes. Company and Purchaser shall promptly advise the other Party of any change or event having, or which could reasonably be expected to have, a Material Adverse Effect or which it believes would, or which could reasonably be expected to, cause or constitute a material breach of any of its or its respective Subsidiaries' representations, warranties or covenants contained herein. From time to time prior to the Effective Time (and on the date prior to the Closing Date), Company will supplement or amend the Company Disclosure Schedules, delivered in connection with the execution of this Agreement to reflect any matter which, if existing, occurring or known at the date of this Agreement, would have been required to be set forth or described in such Company Disclosure Schedule or which is necessary to correct any information in such Company Disclosure Schedule which has been rendered materially inaccurate thereby. No supplement or amendment to any Company Disclosure Schedule or provision of information relating to the subject matter of any Company Disclosure Schedule after the date of this Agreement shall operate to cure any breach of a representation or warranty made herein or have any effect for the purpose of determining satisfaction of the conditions set forth in Section 6.03(a) or Section 6.03(b), as the case may be, or compliance by Company with the respective covenants and agreements of such parties set forth herein.

Section 5.13. Transition; Informational Systems Conversion. From and after the date hereof, Purchaser and Company shall use their commercially reasonable efforts to facilitate the integration of Company with the business of Purchaser following consummation of the transactions contemplated hereby, and shall meet on a regular basis to discuss and plan for the conversion of the data processing and related electronic informational systems of Company and its Subsidiaries (the "*Informational Systems Conversion*") to those used by Purchaser, which planning shall include, but not be limited to, (a) discussion of third-party service provider arrangements of Company and its Subsidiaries; (b) non-renewal or changeover, after the Effective Time, of personal property leases and Software licenses used by Company and its Subsidiaries in connection with the systems operations; (c) retention of outside consultants and additional employees to assist with the conversion; (d) outsourcing, as appropriate after the Effective Time, of proprietary or self-provided system services; and (e) any other actions necessary and appropriate to facilitate the conversion as soon as practicable following the Effective Time.

Section 5.14. No Control of Other Party's Business. Nothing contained in this Agreement shall give Purchaser, directly or indirectly, the right to control or direct the operations of Company or its Subsidiaries prior to the Effective Time, and nothing contained in this Agreement shall give Company, directly or indirectly, the right to control or direct the operations of Purchaser or its Subsidiaries prior to the Effective Time. Prior to the Effective Time, each of Company and Purchaser shall exercise, consistent with the terms and conditions of this Agreement, control and supervision over its and its Subsidiaries' respective operations.

Section 5.15. Certain Litigation. Each Party shall promptly advise the other Party orally and in writing of any actual or threatened shareholder litigation against such Party and/or the members of the board of directors of Company or the board of directors of Purchaser related to this Agreement or the Merger and the other transactions contemplated by this Agreement. Company shall: (i) permit Purchaser to review and discuss in advance, and consider in good faith the views of Purchaser in connection with, any proposed written or oral response to such shareholder litigation; (ii) furnish Purchaser's outside legal counsel with all non-privileged information and documents which outside counsel may reasonably request in connection with such shareholder litigation; and (iii) consult with Purchaser regarding the defense or settlement of any such shareholder litigation. Company shall give due consideration to Purchaser's advice with respect to such shareholder litigation and shall not settle any such litigation prior to such consultation and consideration. Company shall not settle any such shareholder litigation if such settlement

requires the payment of money damages, without the written consent of Purchaser (such consent not to be unreasonably withheld) unless the payment of any such damages by Company is reasonably expected by Company, following consultation with outside counsel, to be fully covered (disregarding any deductible to be paid by Company) under Company's existing director and officer insurance policies, including any tail policy and also does not cause the tail insurance premium contemplated by Section 5.10(d) to exceed the Maximum D&O Tail Premium.

Section 5.16. Director Resignations. Company shall use commercially reasonable efforts to cause to be delivered to Purchaser resignations of all the directors of Company and its Subsidiaries, such resignations to be effective as of the Effective Time.

Section 5.17. Restrictive Covenant Agreement. Concurrently with the execution and delivery of this Agreement and effective upon Closing, Company has caused (i) each non-employee director of Company and Selling Bank to execute and deliver the Restrictive Covenant Agreement in the form attached hereto as Exhibit D (collectively, the "*Director Restrictive Covenant Agreements*") and (ii) the officers of Company and Selling Bank listed on Company Disclosure Schedule 5.17 to execute and deliver the Restrictive Covenant Agreement in the form attached hereto as Exhibit E (the "*Officer Restrictive Covenant Agreements*").

Section 5.18. Claims Letters. Concurrently with the execution and delivery of this Agreement and effective upon the Closing, Company has caused each director of Company and Selling Bank to execute and deliver the Claims Letter in the form attached hereto as Exhibit F.

Section 5.19. Coordination.

(a) Prior to the Effective Time, each of Company and its Subsidiaries shall take any action Purchaser may reasonably request from time to time to better prepare the parties for the integration of the operations of Company and its Subsidiaries with Purchaser and its Subsidiaries, respectively. Without limiting the foregoing, senior officers of Company and Purchaser shall meet from time to time as Purchaser may reasonably request, and in any event not less frequently than monthly, to review the financial and operational affairs of Company and its Subsidiaries, and Company shall give due consideration to Purchaser's input on such matters, with the understanding that, notwithstanding any other provision contained in this Agreement, neither Purchaser nor Purchaser Bank shall under any circumstance be permitted to exercise control of Company or its Subsidiaries prior to the Effective Time. Company shall permit representatives of Purchaser Bank to be onsite at Company to facilitate integration of operations and assist with any other coordination efforts as necessary.

(b) Prior to the Effective Time, Company and its Subsidiaries shall take any actions Purchaser may reasonably request in connection with negotiating any amendments, modifications or terminations of any Leases or Company Contracts that Purchaser may request, including, but not limited to, actions necessary to cause any such amendments, modifications or terminations to become effective prior to, or immediately upon, the Closing, and shall cooperate with Purchaser and use commercially reasonable efforts to negotiate specific provisions that may be requested by Purchaser in connection with any such amendment, modification or termination.

(c) Purchaser and Company shall cooperate (i) to minimize any potential adverse impact to Purchaser under Financial Accounting Standards Board Accounting Standards Codification Topic 805 (Business Combinations), and (ii) to maximize potential benefits to Purchaser and its Subsidiaries under Code Section 382 in connection with the transactions contemplated by this Agreement, in each case consistent with GAAP, the rules and regulations of the SEC and applicable banking Laws and regulations.

(d) From and after the date hereof, the parties shall reasonably cooperate with the other in preparing for the prompt conversion or consolidation of systems and business operations promptly after the Effective Time (including by entering into customary confidentiality, non-disclosure and similar agreements with the other party and appropriate service providers), and Company shall, upon Purchaser's reasonable request, introduce Purchaser and its representatives to suppliers of Company and its Subsidiaries for the purpose of facilitating the integration of Company and its business into that of Purchaser. In addition, after satisfaction of the conditions set forth in Section 6.01(a) and Section 6.01(b), Company shall, upon Purchaser's reasonable request, introduce Purchaser and its representatives to customers of Company and its Subsidiaries for the purpose of facilitating the integration of Company and its business into that of Purchaser. Any interaction between Purchaser and Company's and any of its Subsidiary's customers and suppliers shall be coordinated by Company. Company shall have the right to participate in any discussions between Purchaser and Company's customers and suppliers.

(e) Purchaser and Company agree to take all action necessary and appropriate to cause Selling Bank to merge with Purchaser Bank in accordance with applicable Laws and the terms of the Plan of Bank Merger immediately following the Effective Time or as promptly as practicable thereafter.

Section 5.20. Transactional Expenses. Company has provided in Company Disclosure Schedule 5.20 a reasonable good faith estimate of costs and fees that Company and its Subsidiaries expect to pay to retained representatives in connection with the transactions contemplated by this Agreement (collectively, "*Company Expenses*"). Company shall use its commercially reasonable efforts to cause the aggregate amount of all Company Expenses to not exceed the total expenses disclosed in Company Disclosure Schedule 5.20. Company shall promptly notify Purchaser if or when it determines that it expects to materially exceed its estimate for Company Expenses. Notwithstanding anything to the contrary in this Section 5.20, Company shall not incur any investment banking, brokerage, finders or other similar financial advisory fees in connection with the transactions contemplated by this Agreement other than those expressly set forth in Company Disclosure Schedule 3.23.

Section 5.21. Confidentiality. Prior to the execution of this Agreement and prior to the consummation of the Merger, each of Purchaser and Company, and their respective Subsidiaries, affiliates, officers, directors, agents, employees, consultants and advisors have provided, and will continue to provide one another with information which may be deemed by the party providing the information to be non-public, proprietary and/or confidential, including, but not limited to, trade secrets of the disclosing party. Each Party agrees that it will, and will cause its representatives to, hold any information so obtained pursuant to this Article V in accordance with the terms of the confidentiality and non-disclosure agreement, dated as of February 15, 2018 between the Purchaser and Company.

Section 5.22. Tax Matters. The Parties intend that the Merger shall qualify as a reorganization within the meaning of Section 368(a) of the Code and that this Agreement constitutes a "plan of reorganization" as that term is used in Sections 354 and 361 of the Code. The business purpose of the Merger and the Bank Merger is to combine two financial institutions to create a strong commercial banking franchise. From and after the date of this Agreement, each of Purchaser and Company shall use its commercially reasonable efforts to cause the Merger to qualify as a reorganization within the meaning of Section 368(a) of the Code, and will not knowingly take any action, cause any action to be taken, fail to take any action or cause any action to fail to be taken which action or failure to act is intended or is reasonably likely to prevent the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

ARTICLE VI

CONDITIONS TO CONSUMMATION OF THE MERGER

Section 6.01. Conditions to Obligations of the Parties to Effect the Merger. The respective obligations of the Parties to consummate the Merger are subject to the fulfillment or, to the extent permitted by applicable Law, written waiver by the Parties prior to the Closing Date of each of the following conditions:

(a) Shareholder Vote. This Agreement and the transactions contemplated hereby shall have received the Requisite Company Shareholder Approval at the Company Meeting.

(b) Regulatory Approvals; No Burdensome Condition. All Regulatory Approvals required to consummate the Merger and the Bank Merger in the manner contemplated herein shall have been obtained and shall remain in full force and effect and all statutory waiting periods in respect thereof, if any, shall have expired or been terminated. None of such Regulatory Approvals shall impose any term, condition or restriction upon Purchaser or any of its Subsidiaries that Purchaser reasonably determines is a Burdensome Condition.

(c) No Injunctions or Restraints; Illegality. No judgment, order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of any of the transactions contemplated hereby shall be in effect. No statute, rule, regulation, order, injunction or decree shall have been enacted, entered, promulgated or enforced by any Governmental Authority that prohibits or makes illegal the consummation of any of the transactions contemplated hereby.

(d) Effective Registration Statement. The Registration Statement shall have become effective and no stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceedings for that purpose shall have been initiated or threatened by the SEC and, if the offer of Purchaser Common Stock in the Merger is subject to the blue sky laws of any state, shall not be subject to a stop order of any state securities commissioner.

(e) Tax Opinion Relating to the Merger. Purchaser shall have received an opinion from Alston & Bird LLP, dated as of the Closing Date, in substance and form reasonably satisfactory to Purchaser to the effect that, on the basis of the facts, representations and assumptions set forth in such opinion, the Merger will be treated for federal income tax purposes as a "reorganization" within the meaning of Section 368(a) of the Code. In rendering its opinion, Alston & Bird LLP may require and rely upon representations as to certain factual matters contained in certificates of officers of each of Purchaser and Company, in form and substance reasonably acceptable to such counsel.

(f) Listing of Purchaser Common Stock. The shares of Purchaser Common Stock issuable pursuant to the Merger shall have been approved for listing on the NASDAQ.

(g) Plan of Bank Merger. The Plan of Bank Merger shall have been executed and delivered.

Section 6.02. Conditions to Obligations of Company. The obligations of Company to consummate the Merger also are subject to the fulfillment or written waiver by Company prior to the Closing Date of each of the following conditions:

(a) Representations and Warranties. Each of the representations and warranties of Purchaser (other than in Sections 4.03, 4.09 and 4.14) set forth in this Agreement or in any certificate or agreement

delivered by Purchaser pursuant to the provisions hereof shall be true and correct, in all respects (without giving effect to any limitation indicated by the words "Material Adverse Effect," "in all material respects," "in any material respect," "material," "materially" or words of similar import) as of the date of this Agreement and immediately prior to the Effective Time with the same effect as though all such representations and warranties had been made at and as of such time (except to the extent such representations and warranties speak as of a particular date, which shall be true and correct in all respects as of that date), except where the failure of such representations and warranties to be so true and correct would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Purchaser; *provided, however*, that the representations and warranties in Section 4.03 (Capitalization) (other than de minimis inaccuracies in Section 4.03(a)), Section 4.09 (Absence of Certain Changes or Events), and Section 4.14 (Purchaser Information) shall be true and correct in all respects as of the date of this Agreement and as of the Effective Time as though made on and as of the Effective Time. Company shall have received a certificate signed on behalf of Purchaser by the Chief Executive Officer and the Chief Financial Officer of Purchaser to the foregoing effect.

(b) Performance of Obligations of Purchaser. Purchaser shall have performed and complied with all of its obligations under this Agreement in all material respects at or prior to the Closing Date, except where the failure of the performance of, or compliance with, such obligation has not had and does not have a Material Adverse Effect on Purchaser, and Company shall have received a certificate, dated the Closing Date, signed on behalf of Purchaser by its Chief Executive Officer and the Chief Financial Officer to such effect.

(c) No Material Adverse Effect. Since the date of this Agreement (i) no change or event has occurred which has resulted in Purchaser or Purchaser Bank being subject to a Material Adverse Effect and (ii) no condition, event, fact, circumstance or other occurrence has occurred that may reasonably be expected to have or result in such parties *being* subject to a Material Adverse Effect.

Section 6.03. Conditions to Obligations of Purchaser. The obligations of Purchaser to consummate the Merger also are subject to the fulfillment or written waiver by Purchaser prior to the Closing Date of each of the following conditions:

(a) Representations and Warranties. Each of the representations and warranties of Company (other than in Sections 3.03, 3.08 and 3.25) set forth in this Agreement or in any certificate or agreement delivered by Company pursuant to the provisions hereof shall be true and correct, in all respects (without giving effect to any limitation indicated by the words "Material Adverse Effect," "in all material respects," "in any material respect," "material," "materially" or words of similar import) as of the date of this Agreement and immediately prior to the Effective Time with the same effect as though all such representations and warranties had been made at and as of such time (except to the extent such representations and warranties speak as of a particular date, which shall be true and correct in all respects as of that date), except where the failure of such representations and warranties to be so true and correct would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Company; *provided, however*, that (i) the representations and warranties in Section 3.03 (Capitalization) (other than de minimis inaccuracies in Section 3.03(a)), Section 3.08 (Absence of Certain Changes or Events) and Section 3.25 (Company Information) shall be true and correct in all respects as of the date of this Agreement and as of the Effective Time as though made on and as of the Effective Time. Purchaser shall have received a certificate signed on behalf of Company by the Chief Executive Officer and the Chief Financial Officer of Company to the foregoing effect.

(b) Performance of Obligations of Company. Company shall have performed and complied with all of its obligations under this Agreement in all material respects at or prior to the Closing Date, except where the failure of the performance of, or compliance with, such obligation has not had and does

not have a Material Adverse Effect on Company and Purchaser shall have received a certificate, dated the Closing Date, signed on behalf of Company by Company's Chief Executive Officer and Chief Financial Officer, to such effect.

(c) Other Actions. The board of directors of Company shall have approved this Agreement and the transactions contemplated herein and shall not have (i) withheld, withdrawn or modified (or publicly proposed to withhold, withdrawal or modify), in a manner adverse to Purchaser, the Company Recommendation referred to in Section 5.04, (ii) approved or recommended (or publicly proposed to approve or recommend) any Acquisition Proposal, or (iii) allowed Company or the Company's Subsidiaries to enter into any letter of intent, memorandum of understanding, agreement in principle, acquisition agreement, merger agreement or agreement relating to any Acquisition Proposal. Company shall have furnished Purchaser with such certificates of its officers or others and such other documents to evidence fulfillment of the conditions set forth in Section 6.01 and this Section 6.03 as Purchaser may reasonably request.

(d) No Material Adverse Effect. Since the date of this Agreement (i) no change or event has occurred which has resulted in Company or its Subsidiaries being subject to a Material Adverse Effect and (ii) no condition, event, fact, circumstance or other occurrence has occurred that may reasonably be expected to have or result in such parties being subject to a Material Adverse Effect.

(e) Consents and Approvals. Company has received, in form and substance satisfactory to Company and Purchaser, all material consents, approvals, waivers and other assurances from all non-governmental third parties which are required to be obtained under the terms of any contract, agreement or instrument to which Company or the Company's Subsidiaries is a party or by which any of their respective properties is bound in order to prevent the consummation of the transactions contemplated by this Agreement from constituting a default under such contract, agreement or instrument or creating any lien, claim or charge upon any of the assets of Company or the Company's Subsidiaries.

(f) Limitation on Dissenters' Rights. As of the Closing Date, the holders of no more than five percent (5%) of Company Common Stock that is issued and outstanding shall have taken the actions required by the FBCA to qualify their Company Common Stock as Dissenting Shares.

(g) Company Consolidated Tangible Shareholders' Equity; Allowance for Loan and Lease Losses. As of the close of business on the fifth (5th) Business Day prior to the Closing Date, (A) the Company's Consolidated Tangible Shareholders' Equity shall be an amount not less than the Company Target Consolidated Tangible Shareholders' Equity, and (B) the Selling Bank's general allowance for loan and lease losses shall be an amount not less than \$6.6 million in the aggregate.

(h) Contractual Arrangements with Certain Officers. The contractual arrangements between Purchaser Bank and certain executives and directors of the Company and First Green Bank that were signed as of the date of this Agreement and set forth in Purchaser Disclosure Schedule 6.03(h) shall continue to be in full force and effect on and after the Effective Time in accordance with their respective terms.

(i) Medical Marijuana Business. The Company shall have terminated all of its Medical Marijuana Business and shall have sold or disposed of any and all assets and liabilities related to the Medical Marijuana Business, including but not limited to the deposits and accounts set forth in Section 6.03(i) of the Company Disclosure Letter.

Section 6.04. Frustration of Closing Conditions. Neither Purchaser nor Company may rely on the failure of any condition set forth in Section 6.01, Section 6.02 or Section 6.03, as the case may be, to

be satisfied if such failure was caused by such Party's failure to use its commercially reasonable efforts to consummate any of the transactions contemplated hereby, as required by and subject to Section 5.03.

ARTICLE VII

TERMINATION

Section 7.01. Termination. This Agreement may be terminated, and the transactions contemplated hereby may be abandoned:

(a) Mutual Consent. At any time prior to the Effective Time, by the mutual consent, in writing, of Purchaser and Company if the board of directors of Purchaser and the board of directors of Company each so determines by vote of a majority of the members of its entire board.

(b) No Regulatory Approval. By Purchaser or Company, if either of their respective boards of directors so determines by a vote of a majority of the members of its entire board, in the event any Regulatory Approval required for consummation of the transactions contemplated by this Agreement shall have been denied by final, non-appealable action by such Governmental Authority or an application therefor shall have been permanently withdrawn at the request of a Governmental Authority.

(c) No Shareholder Approval. By Purchaser (provided, in the case of Purchaser, that it shall not be in breach of any of its obligations under Section 5.05), or by Company (provided, that in the case of Company, that it shall not be in breach of any of its obligations under Sections 5.04 and 5.09), if the Requisite Company Shareholder Approval at the Company Meeting shall not have been obtained by reason of the failure to obtain the required vote at a duly held meeting of such shareholders or at any adjournment or postponement thereof.

(d) Breach of Representations and Warranties. By either Purchaser or Company (provided that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained herein in a manner that would entitle the other party to not consummate this Agreement) if there shall have been (i) with respect to representations and warranties set forth in this Agreement that are not qualified by the term "material" or do not contain terms such as "Material Adverse Effect," a material breach of any of such representations or warranties by the other party, and (ii) with respect to representations and warranties set forth in this Agreement that are qualified by the term "material" or contain terms such as "Material Adverse Effect," any breach of any of such representations or warranties by the other Party; which breach in (i) or (ii) above is not cured prior to the earlier of (y) thirty (30) days following written notice to the Party committing such breach from the other Party or (z) two (2) Business Days prior to the Expiration Date, or which breach, by its nature, cannot be cured prior to the Closing; provided, however, that neither party shall have the right to terminate this Agreement pursuant to this Section 7.01(d) unless the breach of representation or warranty, together with all other such breaches, would entitle the terminating party not to consummate the transactions contemplated hereby under Section 6.02(a) (in the case of a breach of a representation or warranty by Purchaser) or Section 6.03(a) (in the case of a breach of a representation or warranty by Company).

(e) Breach of Covenants. By either Purchaser or Company (provided that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained herein in a manner that would entitle the other Party not to consummate the agreement) if there shall have been a material breach of any of the covenants or agreements set forth in this Agreement on the part of the other Party, which breach shall not have been cured prior to the earlier of (i) thirty (30) days following written notice to the Party committing such breach from the other Party or (ii) two (2) Business Days prior to the Expiration Date, or which breach, by its nature, cannot be cured prior to the Closing; provided,

however, that neither party shall have the right to terminate this Agreement pursuant to this Section 7.01(e) unless the breach of covenant or agreement, together with all other such breaches, would entitle the terminating party not to consummate the transactions contemplated hereby under Section 6.02(b) (in the case of a breach of a representation or warranty by Purchaser) or Section 6.03(b) (in the case of a breach of a representation or warranty by Company).

(f) Delay. By either Purchaser or Company if the Merger shall not have been consummated on or before January 31, 2019 (the "**Expiration Date**"), unless the failure of the Closing to occur by such date shall be due to a material breach of this Agreement by the Party seeking to terminate this Agreement.

(g) Failure to Recommend; Etc. In addition to and not in limitation of Purchaser's termination rights under Section 7.01(e), by Purchaser if (i) there shall have been a material breach of Section 5.09, or (ii) the board of directors of Company (A) withdraws, qualifies, amends, modifies or withholds the Company Recommendation, or makes any statement, filing or release of information, in connection with the Company Meeting or otherwise, inconsistent with the Company Recommendation (it being understood that taking a neutral position or no position with respect to an Acquisition Proposal shall be considered an adverse modification of the Company Recommendation), (B) materially breaches its obligation to call, give notice of and commence the Company Meeting under Section 5.04(a), (C) approves or recommends an Acquisition Proposal, (D) fails to publicly recommend against a publicly announced Acquisition Proposal within three (3) Business Days of being requested to do so by Purchaser, (E) fails to publicly reconfirm the Company Recommendation within three (3) Business Days of being requested to do so by Purchaser, or (F) resolves or otherwise determines to take, or announces an intention to take, any of the foregoing actions.

(h) Superior Proposal. By the board of directors of Company if Company has received a Superior Proposal, and in accordance, and subject to compliance, with Section 5.09 of this Agreement, the Company board of directors has made a determination to accept such Superior Proposal.

(i) Purchaser Stock Price. By Company, if the board of directors of Company so determines by a vote of the majority of the members of the entire board of directors of Company, at any time during the five-day period commencing with the Determination Date, if both of the following conditions are satisfied:

(A) The quotient obtained by dividing the Purchaser Average Stock Price by the Initial Purchaser Market Price (such quotient being the "**Purchaser Ratio**") shall be less than 0.85; and

(B) The Purchaser Ratio shall be less than (y) the quotient obtained by dividing the Final Index Price by the Initial Index Price and subtracting 0.15 from the quotient in this clause (B)(y) (such number in this clause (B)(y) being the "**Index Ratio**");

provided, however that if Company refuses to consummate the Merger pursuant to this Section 7.01(i), it shall give prompt written notice thereof to Purchaser (and provided that such Company written notice of election to terminate may be withdrawn at any time within the aforementioned five-day period). During the five (5) Business Day period commencing with its receipt of such notice, Purchaser shall have the option to increase the Merger Consideration by increasing the Per Share Stock Consideration (calculated to the nearest one ten-thousandth) such that the value of the Per Share Stock Consideration (calculated based on the Purchaser Average Stock Price) to be received by each recipient of the Merger Consideration equals the lesser of the following: (I) an amount equal to (x) the product of the Initial Purchaser Market Price, 0.85, and the Per Share Stock Consideration (as in effect immediately before any increase in the Per Share Stock Consideration pursuant to this Section 7.01(i)), *divided by* (y) Purchaser Average Stock Price and (II) an amount equal to (x) the product of the Index Ratio and the Per Share

Stock Consideration (as in effect immediately before any increase in the Per Share Stock Consideration pursuant to this Section 7.01(i)), divided by (y) the Purchaser Ratio. If Purchaser so elects within such five (5) Business Day period, then it shall give prompt written notice to Company of such election and the revised Per Share Stock Consideration, whereupon no termination shall occur pursuant to this Section 7.01(i) and this Agreement shall remain in effect in accordance with its terms, provided that any references in this Agreement to the "Per Share Stock Consideration" shall thereafter be deemed to refer to the Per Share Stock Consideration as increased pursuant to this Section 7.01(i), if applicable.

Section 7.02. Termination Fee; Expenses.

(a) In recognition of the efforts, expenses and other opportunities foregone by Purchaser while structuring and pursuing the Merger, Company shall pay to Purchaser a termination fee equal to five million three hundred thousand (\$5,300,000) ("**Termination Fee**"), by wire transfer of immediately available funds to an account specified by Purchaser in the event of any of the following: (i) in the event Purchaser terminates this Agreement pursuant to Section 7.01(g) or Company terminates this Agreement pursuant to Section 7.01(h), Company shall pay Purchaser the Termination Fee within one (1) Business Day after receipt of Purchaser's notification of such termination; or (ii) in the event that after the date of this Agreement and prior to the termination of this Agreement, an Acquisition Proposal shall have been made known to senior management of Company or has been made directly to its shareholders generally or any Person shall have publicly announced (and not withdrawn) an Acquisition Proposal with respect to Company and (A) thereafter this Agreement is terminated (x) by either Purchaser or Company pursuant to Section 7.01(c) because the Requisite Company Shareholder Approval shall not have been obtained or (y) by Purchaser pursuant to Section 7.01(d) or Section 7.01(e) and (B) prior to the date that is twelve (12) months after the date of such termination, Company enters into any agreement or consummates a transaction with respect to an Acquisition Proposal (whether or not the same Acquisition Proposal as that referred to above), then Company shall, on the earlier of the date it enters into such agreement or the date of consummation of such transaction, pay Purchaser the Termination Fee, *provided*, that for purposes of this Section 7.02(a)(ii), all references in the definition of Acquisition Proposal to "20%" shall instead refer to "50%."

(b) Company and Purchaser each agree that the agreements contained in this Section 7.02 are an integral part of the transactions contemplated by this Agreement, and that, without these agreements, Purchaser would not enter into this Agreement; accordingly, if Company fails promptly to pay any amounts due under this Section 7.02, Company shall pay interest on such amounts from the date payment of such amounts were due to the date of actual payment at the rate of interest equal to the sum of (i) the rate of interest published from time to time in *The Wall Street Journal*, Eastern Edition (or any successor publication thereto), designated therein as the prime rate on the date such payment was due, plus (ii) 200 basis points, together with the costs and expenses of Purchaser (including reasonable legal fees and expenses) in connection with such suit.

(c) Notwithstanding anything to the contrary set forth in this Agreement, the Parties agree that if Company pays or causes to be paid to Purchaser the Termination Fee in accordance with Section 7.02(a), Company (or any successor in interest of Company) will not have any further obligations or liabilities to Purchaser with respect to this Agreement or the transactions contemplated by this Agreement.

Section 7.03. Effect of Termination. Except as set forth in Section 7.02(c), termination of this Agreement will not relieve a breaching party from liability for any breach of any covenant, agreement, representation or warranty of this Agreement giving rise to such termination.

ARTICLE VIII

DEFINITIONS

Section 8.01. Definitions. The following terms are used in this Agreement with the meanings set forth below:

“*ACA*” shall mean the Patient Protection and Affordable Care Act and its companion bill, the Health Care and Education Reconciliation Act of 2010, as amended.

“*Acquisition Proposal*” has the meaning set forth in Section 5.09(a).

“*Acquisition Transaction*” has the meaning set forth in Section 5.09(a).

“*Affiliate*” means, with respect to any Person, any other Person controlling, controlled by or under common control with such Person. As used in this definition, “control” (including, with its correlative meanings, “controlled by” and “under common control with”) means the possession, directly or indirectly, of power to direct or cause the direction of the management and policies of a Person whether through the ownership of voting securities, by contract or otherwise.

“*Agreement*” has the meaning set forth in the preamble to this Agreement.

“*Articles of Merger*” has the meaning set forth in Section 1.05(a).

“*ASC 320*” means GAAP Accounting Standards Codification Topic 320.

“*Associate*” when used to indicate a relationship with any Person means (1) any corporation or organization (other than Company or any of its Subsidiaries) of which such Person is an officer or partner or is, directly or indirectly, the beneficial owner of 10% or more of any class of equity securities, (2) any trust or other estate in which such Person has a substantial beneficial interest or serves as trustee or in a similar fiduciary capacity, or (3) any relative or family member of such Person.

“*ASTM*” has the meaning set forth in Section 5.01(w).

“*Bank Merger*” has the meaning set forth in Section 1.03.

“*Bank Merger Act*” means Section 18(c) of the Federal Deposit Insurance Act.

“*Bank Plan of Merger*” has the meaning set forth in Section 1.03.

“*Bank Secrecy Act*” means the Bank Secrecy Act of 1970, as amended.

“*Benefits Schedule*” has the meaning set forth in Section 3.11(p).

“*BHC Act*” has the meaning set forth in Section 3.02(a).

“*BOLI*” has the meaning set forth in Section 3.31(b).

“*Book-Entry Shares*” means any non-certificated share held by book entry in Company’s stock transfer book or in street name through a bank, broker or other nominee, which immediately prior to the Effective Time represents an outstanding share of Company Common Stock.

“*Burdensome Conditions*” has the meaning set forth in Section 5.06(a).

“*Business Day*” means Monday through Friday of each week, except a legal holiday recognized as such by the U.S. government or any day on which banking institutions in the State of Florida are authorized or obligated to close.

“*Certificate*” means any outstanding certificate, which immediately prior to the Effective Time, represents an outstanding share of Company Common Stock.

“*Claim*” has the meaning set forth in Section 5.10(a).

“*Closing*” and “*Closing Date*” have the meanings set forth in Section 1.05(b).

“*Code*” has the meaning set forth in the recitals.

“*Community Reinvestment Act*” means the Community Reinvestment Act of 1977, as amended.

“*Company*” has the meaning set forth in the preamble to this Agreement.

“*Company Articles*” has the meaning set forth in Section 3.02(a).

“*Company Benefit Plans*” has the meaning set forth in Section 3.11(a).

“*Company Bylaws*” has the meaning set forth in Section 3.02(a).

“*Company Common Stock*” means the common stock, \$5.00 par value per share, of Company.

“*Company Consolidated Target Tangible Shareholders’ Equity*” means the Company’s Consolidated Tangible Shareholders’ Equity equal to \$74.255 million (subtracting the after-tax (using an assumed tax rate of 24.28%) impact of the Permitted Expenses).

“*Company Contract*” has the meaning set forth in Section 3.13(a).

“*Company Disclosure Schedule*” has the meaning set forth in Section 3.01.

“*Company Equity Awards*” refers to Company Stock Options.

“*Company Expenses*” has the meaning set forth in Section 5.20.

“*Company Investment Securities*” means the investment securities of Company and its Subsidiaries.

“*Company Leased Properties*” has the meaning set forth in Section 3.18.

“*Company Meeting*” has the meaning set forth in Section 5.04.

“*Company Owned Properties*” has the meaning set forth in Section 3.18.

“*Company Qualified Plans*” has the meaning set forth in Section 3.11(d).

“*Company Real Property*” has the meaning set forth in Section 3.18.

“*Company Recommendation*” has the meaning set forth in Section 5.04.

“*Company Regulatory Agreement*” has the meaning set forth in Section 3.14.

“*Company Representatives*” has the meaning set forth in Section 5.09(a).

“*Company Risk Management Instruments*” has the meaning set forth in Section 3.15.

“*Company Reports*” has the meaning set forth in Section 3.06(b).

“*Company Stock Option*” has the meaning set forth in Section 2.02.

“*Company Stock Plans*” means all equity plans of Company or any Subsidiary, including Company 2015 Equity Incentive Plan, and any sub-plans adopted thereunder, each as amended to date.

“*Company Subsequent Determination*” has the meaning set forth in Section 5.09(e).

“*Company Subsidiaries*” has the meaning set forth in Section 3.02(b).

“*Consolidated Tangible Shareholders' Equity*” means as of the close of business on the fifth (5th) Business Day prior to the Closing Date (the “*Measuring Date*”), the consolidated shareholders' equity of the Company as set forth on its balance sheet on the Measuring Date calculated in accordance with GAAP (subtracting the after-tax (using an assumed tax rate of 24.28%) impact of the Permitted Expenses) and minus any change since May 31, 2018 in unrealized gains or plus any unrealized losses (as the case may be) in the Company's securities portfolio due to mark-to-market adjustments as of the Measuring Date). The calculation of Consolidated Tangible Shareholders' Equity shall be delivered by the Company to Seacoast, accompanied by appropriate supporting detail, no later than the close of business on the fourth (4th) Business Day preceding the Closing Date, and such calculation shall be subject to verification and approval by Purchaser, which approval shall not be unreasonably withheld.

“*Controlled Group Liability*” has the meaning set forth in Section 3.11(e).

“*Covered Employees*” has the meaning set forth in Section 5.11(a).

“*D&O Insurance*” has the meaning set forth in Section 5.10(c).

“*Derivative Transaction*” means any swap transaction, option, warrant, forward purchase or sale transaction, futures transaction, cap transaction, floor transaction or collar transaction relating to one or more currencies, commodities, bonds, equity securities, loans, interest rates, catastrophe events, weather-related events, credit-related events or conditions or any indexes, or any other similar transaction (including any option with respect to any of these transactions) or combination of any of these transactions, including collateralized mortgage obligations or other similar instruments or any debt or equity instruments evidencing or embedding any such types of transactions, and any related credit support, collateral or other similar arrangements related to any such transaction or transactions.

“*Determination Date*” means the later of (i) the date on which the last required Regulatory Approval is obtained without regard to any requisite waiting period, or (ii) the date on which the Requisite Company Shareholder Approval is obtained.

“*Director Restrictive Covenant Agreements*” has the meaning set forth in Section 5.17.

“*Dissenting Shares*” means any share of Company Common Stock held by a Holder who properly demands and perfects dissenters’ rights with respect to such shares in accordance with applicable provisions of the FBCA.

“*Dodd-Frank Act*” means the Dodd-Frank Wall Street Reform and Consumer Protection Act.

“*Effective Time*” has the meaning set forth in Section 1.05(a).

“*Enforceability Exceptions*” has the meaning set forth in Section 3.04(a).

“*Environmental Law*” means any federal, state or local Law, regulation, order, decree, permit, authorization, opinion or agency requirement relating to: (a) pollution, the protection or restoration of the indoor or outdoor environment, human health and safety, or natural resources; (b) the handling, use, presence, disposal, release or threatened release of any Hazardous Substance; or (c) any injury or threat of injury to persons or property in connection with any Hazardous Substance. The term Environmental Law includes, but is not limited to, the following statutes, as amended, any successor thereto, and any regulations promulgated pursuant thereto, and any state or local statutes, ordinances, rules, regulations and the like addressing similar issues: (a) Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986, as amended, 42 U.S.C. § 9601 et seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901, et seq.; the Clean Air Act, as amended, 42 U.S.C. § 7401, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. § 2601, et seq.; the Emergency Planning and Community Right to Know Act, 42 U.S.C. § 1101, et seq.; the Safe Drinking Water Act; 42 U.S.C. § 300f, et seq.; the Occupational Safety and Health Act, 29 U.S.C. § 651, et seq.; and (b) common Law that may impose liability (including without limitation strict liability) or obligations for injuries or damages due to the presence of or exposure to any Hazardous Substance.

“*Equal Credit Opportunity Act*” means the Equal Credit Opportunity Act, as amended.

“*ERISA*” means the Employee Retirement Income Security Act of 1974, as amended.

“*ERISA Affiliate*” has the meaning set forth in Section 3.11(e).

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“*Exchange Agent*” means such exchange agent as may be designated by Purchaser (which shall be Purchaser’s transfer agent), to act as agent for purposes of conducting the exchange procedures described in Article II.

“*Exchange Fund*” has the meaning set forth in Section 2.07(a).

“*Exchange Ratio*” means 0.7324.

“*Expiration Date*” has the meaning set forth in Section 7.01(f).

“*Fair Credit Reporting Act*” means the Fair Credit Reporting Act, as amended.

“*Fair Housing Act*” means the Fair Housing Act, as amended.

“*FBCA*” has the meaning set forth in Section 1.01.

“**FDIC**” means the Federal Deposit Insurance Corporation.

“**Federal Reserve Board**” has the meaning set forth in Section 3.05.

“**Final Index Price**” means the average of the Index Prices for the ten (10) Trading Days ending on the Trading Day immediately prior to the Determination Date.

“**FINRA**” has the meaning set forth in Section 3.05.

“**Florida Courts**” has the meaning set forth in Section 9.03(c).

“**FSA**” has the meaning set forth in Section 5.11(c).

“**GAAP**” means generally accepted accounting principles in the United States of America, applied consistently with past practice, including with respect to quantity and frequency.

“**Governmental Authority**” means any U.S. or foreign federal, state or local governmental commission, board, body, bureau or other regulatory authority or agency, including, without limitation, courts and other judicial bodies, bank regulators, insurance regulators, applicable state securities authorities, the SEC, the IRS or any self-regulatory body or authority, including any instrumentality or entity designed to act for or on behalf of the foregoing.

“**Hazardous Substance**” means any and all substances (whether solid, liquid or gas) defined, listed, or otherwise regulated as pollutants, hazardous wastes, hazardous substances, hazardous materials, extremely hazardous wastes, flammable or explosive materials, radioactive materials or words of similar meaning or regulatory effect under any present or future Environmental Law or that may have a negative impact on human health or the environment, including, but not limited to, petroleum and petroleum products, asbestos and asbestos-containing materials, polychlorinated biphenyls, lead, radon, radioactive materials, flammables and explosives, mold, mycotoxins, microbial matter and airborne pathogens (naturally occurring or otherwise). Hazardous Substance does not include substances of kinds and in amounts ordinarily and customarily used or stored for the purposes of cleaning or other maintenance or operations.

“**HIPAA**” has the meaning set forth in Section 3.11(c).

“**Holder**” means the holder of record of shares of Company Common Stock.

“**Home Mortgage Disclosure Act**” means Home Mortgage Disclosure Act of 1975, as amended.

“**Indemnified Parties**” has the meaning set forth in Section 5.10(a).

“**Index Group**” means the NASDAQ Bank Index (Symbol: BANK).

“**Index Price**” means the closing price of the Index Group on any applicable Trading Day.

“**Index Ratio**” has the meaning set forth in Section 7.01(i).

“**Informational Systems Conversion**” has the meaning set forth in Section 5.13.

“**Initial Purchaser Market Price**” means \$31.40.

“**Initial Index Price**” means \$4,315.85.

“*Insurance Policies*” has the meaning set forth in Section 3.31(a).

“*Intellectual Property*” has the meaning set forth in Section 3.19.

“*IRS*” means the United States Internal Revenue Service.

“*Knowledge*” or “*knowledge*” means, with respect to Company, the actual knowledge, of the Persons set forth in Company Disclosure Schedule 3.01(a), after due inquiry of their direct subordinates who would be likely to have knowledge of such matter, and with respect to Purchaser, the actual knowledge of the Persons set forth in Purchaser Disclosure Schedule 4.01(a), after reasonable inquiry under the circumstances.

“*Law*” means any federal, state, local or foreign Law, statute, ordinance, rule, regulation, judgment, order, injunction, decree, arbitration award, agency requirement, license or permit of any Governmental Authority that is applicable to the referenced Person.

“*Letter of Transmittal*” has the meaning set forth in Section 2.06.

“*Liens*” means any charge, mortgage, pledge, security interest, restriction, claim, lien or encumbrance, conditional and installment sale agreement, charge, claim, option, rights of first refusal, encumbrances, or security interest of any kind or nature whatsoever (including any limitation on voting, sale, transfer or other disposition or exercise of any other attribute of ownership).

“*Loans*” has the meaning set forth in Section 3.26(a).

“*Material Adverse Effect*” with respect to any Party means (i) any change, development or effect that individually or in the aggregate is, or is reasonably likely to be, material and adverse to the executive management team, condition (financial or otherwise), results of operations, liquidity, assets or deposit liabilities, properties, or business of such Party and its Subsidiaries, taken as a whole, or (ii) any change, development or effect that individually or in the aggregate would, or would be reasonably likely to, materially impair the ability of such Party to perform its obligations under this Agreement or otherwise materially impairs, or is reasonably likely to materially impair, the ability of such Party to consummate the Merger and the transactions contemplated hereby; *provided, however*, that, a Material Adverse Effect for purposes of this definition shall not be deemed to include the impact of (A) changes after the date of this Agreement in banking and similar Laws of general applicability or interpretations thereof by Governmental Authorities, (B) changes after the date of this Agreement in GAAP or regulatory accounting requirements applicable to banks or bank holding companies or savings and loan holding companies generally, (C) changes after the date of this Agreement in general economic or capital market conditions affecting financial institutions, including, but not limited to, changes in levels of interest rates, generally, (D) the effects of any action or omission taken by Company with the prior consent of Purchaser, and vice versa, or as otherwise expressly permitted or contemplated by this Agreement, (E) any failure by Company or Purchaser to meet any internal or published industry analyst projections or forecasts or estimates of revenues or earnings for any period (it being understood and agreed that the facts and circumstances giving rise to such failure that are not otherwise excluded from the definition of Material Adverse Effect may be taken into account in determining whether there has been a Material Adverse Effect), (F) changes in the trading price or trading volume of Purchaser Common Stock, and (G) the impact of this Agreement and the transactions contemplated hereby on relationships with customers or employees (including the loss of personnel subsequent to the date of this Agreement).

“*Maximum D&O Tail Premium*” has the meaning set forth in Section 5.10(c).

“*Merger*” has the meaning set forth in the recitals.

“*Merger Consideration*” has the meaning set forth in Section 2.01(c).

“*Multiemployer Plan*” has the meaning set forth in Section 3.11(f).

“*Multiple Employer Plan*” has the meaning set forth in Section 3.11(f).

“*NASDAQ*” means The NASDAQ Global Select Market.

“*Notice of Superior Proposal*” has the meaning set forth in Section 5.09(e).

“*Notice Period*” has the meaning set forth in Section 5.09(e).

“*OCC*” means the Office of the Comptroller of the Currency.

“*OFR*” means the Florida Office of Financial Regulation.

“*Ordinary Course of Business*” means the ordinary, usual and customary course of business of Company and its Subsidiaries consistent with past practice, including with respect to frequency and amount.

“*OREO*” has the meaning set forth in Section 3.26(b).

“*Party*” or “*Parties*” have the meaning set forth in the preamble.

“*Per Share Equity Award Consideration*” has the meaning set forth in Section 2.02.

“*Per Share Stock Consideration*” has the meaning set forth in Section 2.01(c).

“*Permitted Encumbrances*” has the meaning set forth in Section 3.18.

“*Permitted Expenses*” means (i) the reasonable expenses of the Company and the Selling Bank incurred in connection with the Merger and the Bank Merger (including reasonable fees and expenses of attorneys, accountants or other consultants), and (ii) the fee payable to the Company’s financial advisor in accordance with the engagement letter disclosed to Seacoast prior to the execution of this Agreement. The Permitted Expenses are set forth in Section 5.11(i) and on Company Disclosure Schedule Sections 5.11(g) and 5.20.

“*Person*” means any individual, bank, corporation, partnership, association, joint-stock company, business trust, limited liability company, unincorporated organization or other organization or firm of any kind or nature.

“*Phase F*” has the meaning set forth in Section 5.01(w).

“*Plan of Merger*” shall be the plan of merger to be filed with the Florida Secretary of State in accordance with the FBCA.

“*Proxy Statement-Prospectus*” means the proxy statement and prospectus and other proxy solicitation materials of Company relating to the Company Meeting.

“*Purchaser*” has the meaning set forth in the preamble to this Agreement.

“*Purchaser Average Stock Price*” means the average VWAP of Purchaser Common Stock as reported on the NASDAQ Stock Market for the ten (10) consecutive trading days ending on the Trading Day immediately prior to the Determination Date.

“*Purchaser Bank*” has the meaning set forth in the preamble to this Agreement.

“*Purchaser Common Stock*” means the common stock, \$0.01 par value per share, of Purchaser.

“*Purchaser Contract*” has the meaning set forth in Section 4.16.

“*Purchaser Disclosure Schedule*” has the meaning set forth in Section 4.01.

“*Purchaser Ratio*” has the meaning set forth in Section 7.01(i).

“*Purchaser Regulatory Agreement*” has the meaning set forth in Section 4.12.

“*Purchaser SEC Reports*” has the meaning set forth in Section 4.06(b).

“*Purchaser Stock Option*” has the meaning set forth in Section 4.03(a).

“*Purchaser Subsidiaries*” has the meaning set forth in Section 4.02(b).

“*Registration Statement*” means the Registration Statement on Form S-4 to be filed with the SEC by Purchaser in connection with the issuance of shares of Purchaser Common Stock in the Merger (including the Proxy Statement-Prospectus constituting a part thereof).

“*Regulatory Agency*” has the meaning set forth in Section 3.06(a).

“*Regulatory Approvals*” has the meaning set forth in Section 3.05.

“*Requisite Company Shareholder Approval*” means the adoption of this Agreement and the Plan of Merger by a vote of the majority of the votes entitled to be cast at the Company Meeting.

“*Regulatory Approvals*” has the meaning set forth in Section 3.05.

“*Rights*” means, with respect to any Person, warrants, options, rights, convertible securities and other arrangements or commitments which obligate the Person to issue or dispose of any of its capital stock or other ownership interests.

“*Sarbanes-Oxley Act*” means the Sarbanes-Oxley Act of 2002, as amended.

“*SEC*” means the Securities and Exchange Commission.

“*Securities Act*” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“*Selling Bank*” has the meaning set forth in the preamble to this Agreement.

“*Software*” means computer programs, whether in source code or object code form (including any and all software implementation of algorithms, models and methodologies), databases and compilations (including any and all data and collections of data), and all documentation (including user manuals and training materials) related to the foregoing.

“*Subsidiary*” means, with respect to any party, any corporation or other entity of which a majority of the capital stock or other ownership interest having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by such party. Any reference in this Agreement to a Subsidiary of Company means, unless the context otherwise requires, any current or former Subsidiary of Company.

“*Superior Proposal*” has the meaning set forth in Section 5.09(b).

“*Surviving Bank*” has the meaning set forth in Section 1.03.

“*Surviving Entity*” has the meaning set forth in the Recitals.

“*Tax*” and “*Taxes*” has the meaning set forth in Section 3.10(o).

“*Taxing Authority*” shall mean any federal, state, local, municipal, foreign, or other Governmental Authority, instrumentality, commission, board or body having jurisdiction over the Parties to impose or collect any Tax.

“*Tax Returns*” has the meaning set forth in Section 3.10(p).

“*Technology Systems*” shall mean the electronic data processing, information, record keeping, communications, telecommunications, hardware, third-party software, networks, peripherals, portfolio trading and computer systems, including any outsourced systems and processes, and Intellectual Property used by Company and Selling Bank.

“*Termination Fee*” has the meaning set forth in Section 7.02(a).

“*The date hereof*” or “*the date of this Agreement*” means the date first set forth above in the preamble to this Agreement.

“*Trading Day*” means any day on which the NASDAQ is open for trading; provided that a “*Trading Day*” only includes those days that have a scheduled closing time of 4:00 p.m. (Eastern Time).

“*Treasury Regulations*” means the final and temporary regulations promulgated under the Code by the United States Department of the Treasury.

“*Truth in Lending Act*” means the Truth in Lending Act of 1968, as amended.

“*USA PATRIOT Act*” means the USA PATRIOT Act of 2001, Public Law 107-56, and the regulations promulgated thereunder.

“*Voting Agreement*” or “*Voting Agreements*” shall have the meaning set forth in the recitals to this Agreement.

“*VWAP*” means the daily volume weighted average price of Purchaser Common Stock on NASDAQ or such other exchange or market on which the Purchaser Common Stock is then listed or quoted for trading on the day in question.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Survival. No representations, warranties, agreements or covenants contained in this Agreement shall survive the Effective Time other than this Section 9.01 and any other agreements or covenants contained herein that by their express terms are to be performed after the Effective Time, including, without limitation, Section 5.10 of this Agreement.

Section 9.02. Waiver; Amendment. Prior to the Effective Time and to the extent permitted by applicable Law, any provision of this Agreement may be (a) waived by the Party benefited by the provision, provided such waiver is in writing and signed by such Party, or (b) amended or modified at any time, by an agreement in writing among the Parties executed in the same manner as this Agreement, except that after the Company Meeting no amendment shall be made which by Law requires further approval by the shareholders of Company without obtaining such approval.

Section 9.03. Governing Law; Waiver of Right to Trial by Jury; Venue.

(a) This Agreement shall be governed by, and interpreted and enforced in accordance with, the internal, substantive laws of the State of Florida, without regard for conflict of law provisions.

(b) Each Party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues, and therefore each such Party hereby irrevocably and unconditionally waives any right such Party may have to a trial by jury in respect of any litigation directly or indirectly arising out of or relating to this Agreement, or the transactions contemplated by this Agreement. Each Party certifies and acknowledges that (i) no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver, (ii) each Party understands and has considered the implications of this waiver, (iii) each Party makes this waiver voluntarily, and (iv) each Party has been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 9.03.

(c) Each Party agrees that it will bring any action or proceeding in respect of any claim arising out of or related to this Agreement or the transactions contemplated hereby exclusively in any federal or state court of competent jurisdiction located in the State of Florida (the "*Florida Courts*"), and, solely in connection with claims arising under this Agreement or the transactions that are the subject of this Agreement, (i) irrevocably submits to the exclusive jurisdiction of the Florida Courts, (ii) waives any objection to laying venue in any such action or proceeding in the Florida Courts, (iii) waives any objection that the Florida Courts are an inconvenient forum or do not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such action or proceeding will be effective if notice is given in accordance with Section 9.05.

Section 9.04. Expenses. Except as otherwise provided in Section 7.02, each Party will bear all expenses incurred by it in connection with this Agreement and the transactions contemplated hereby, including fees and expenses of its own financial consultants, accountants and counsel. Nothing contained in this Agreement shall limit either Party's rights to recover any liabilities or damages arising out of the other Party's willful breach of any provision of this Agreement.

Section 9.05. Notices. All notices, requests and other communications hereunder to a Party, shall be in writing and shall be deemed properly given if delivered (a) personally, (b) by registered or certified mail (return receipt requested), with adequate postage prepaid thereon, (c) by properly addressed

electronic mail delivery (with confirmation of delivery receipt), or (d) by reputable courier service to such Party at its address set forth below, or at such other address or addresses as such Party may specify from time to time by notice in like manner to the parties hereto. All notices shall be deemed effective upon delivery.

- (a) if to Purchaser, to:
Seacoast Banking Corporation of Florida
815 Colorado Avenue
Stuart, Florida 34994
Attn: Dennis S. Hudson, III
E-mail: denny.hudson@seacoastbank.com

with a copy (which shall not constitute notice to Purchaser) to:
Alston & Bird LLP
1201 West Peachtree Street
Atlanta, Georgia 30309
Attn: Randolph A. Moore, III, Esq.
E-mail: randy.moore@alston.com

- (b) if to Company, to:
First Green Bancorp, Inc.
1118 South Orange Avenue
Suite 101
Orlando, Florida 32806
Attn: Kenneth E. La Roe
E-mail: Ken@firstgreenbank.com

with a copy (which shall not constitute notice to Company) to:
Smith Mackinnon, PA
255 South Orange Avenue, Suite 1200
Orlando, FL 32801
Attn: John P. Greeley, Esq.
Email: jpg7300@aol.com

Section 9.06. Entire Understanding; No Third Party Beneficiaries. This Agreement, including the Exhibits and Disclosure Schedules hereto, represents the entire understanding of the Parties and thereto with reference to the transactions contemplated hereby, and this Agreement supersedes any and all other oral or written agreements heretofore made. Except for (a) the Indemnified Parties' rights under Section 5.10, and (b) if the Effective Time occurs, the right of the holders of Company Common Stock to receive the Merger Consideration payable pursuant to this Agreement, Purchaser and Company hereby agree that their respective representations, warranties and covenants set forth herein are solely for the benefit of the other Party, in accordance with and subject to the terms of this Agreement, and this Agreement is not intended to, and does not, confer upon any Person (including any person or employees who might be affected by Section 5.11), other than the Parties, any rights or remedies hereunder, including, the right to rely upon the representations and warranties set forth herein. The representations and warranties in this Agreement are the product of negotiations between the Parties and are for the sole benefit of the Parties. Consequently, Persons other than the Parties may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

Section 9.07. Severability. In the event that any one or more provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, by any court of competent

jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement and the Parties shall use their commercially reasonable efforts to substitute a valid, legal and enforceable provision which, insofar as practical, implements the purposes and intents of this Agreement.

Section 9.08. Enforcement of the Agreement. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction without having to show or prove economic damages and without the requirement of posting a bond, this being in addition to any other remedy to which they are entitled at law or in equity.

Section 9.09. Interpretation.

(a) When a reference is made in this Agreement to sections, exhibits or schedules, such reference shall be to a section of, or exhibit or schedule to, this Agreement unless otherwise indicated. The table of contents and captions and headings contained in this Agreement are included solely for convenience of reference; if there is any conflict between a caption or heading and the text of this Agreement, the text shall control. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation."

(b) The Parties have participated jointly in the negotiation and drafting of this Agreement and the other agreements and documents contemplated herein. In the event an ambiguity or question of intent or interpretation arises under any provision of this Agreement or any other agreement or document contemplated herein, this Agreement and such other agreements or documents shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of authorizing any of the provisions of this Agreement or any other agreements or documents contemplated herein.

(c) Any reference contained in this Agreement to specific statutory or regulatory provisions or to any specific Governmental Authority shall include any successor statute or regulation, or successor Governmental Authority, as the case may be. Unless the context clearly indicates otherwise, the masculine, feminine, and neuter genders will be deemed to be interchangeable, and the singular includes the plural and vice versa.

(d) Unless otherwise specified, the references to "Section" and "Article" in this Agreement are to the Sections and Article of this Agreement. When used in this Agreement, words such as "herein", "hereinafter", "hereof", "hereto", and "hereunder" refer to this Agreement as a whole, unless the context clearly requires otherwise.

Section 9.10. Assignment. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other Party, and any purported assignment in violation of this Section 9.10 shall be void. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

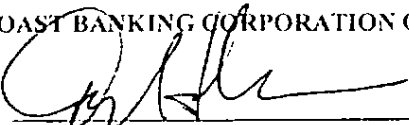
Section 9.11. Counterparts. This Agreement may be executed and delivered by facsimile or by electronic data file and in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party, it being understood that all parties need not sign the same

counterpart. Signatures delivered by facsimile or by electronic data file shall have the same effect as originals.

[Signature Page Follows]

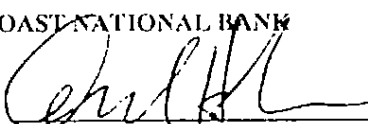
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in counterparts by their duly authorized officers, all as of the day and year first above written.

SEACOAST BANKING CORPORATION OF FLORIDA

By: 

Dennis S. Hudson, III
President and Chief Executive Officer

SEACOAST NATIONAL BANK

By: 

Dennis S. Hudson, III
President and Chief Executive Officer

FIRST GREEN BANCORP, INC.

By: _____
Kenneth E. LaRoe
Chairman

FIRST GREEN BANK

By: _____
Kenneth E. LaRoe
Chairman

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in counterparts by their duly authorized officers, all as of the day and year first above written.

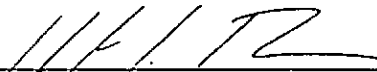
SEACOAST BANKING CORPORATION OF FLORIDA

By: _____
Dennis S. Hudson, III
President and Chief Executive Officer

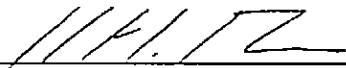
SEACOAST NATIONAL BANK

By: _____
Dennis S. Hudson, III
President and Chief Executive Officer

FIRST GREEN BANCORP, INC.

By: 
Kenneth E. LaRoe
Chairman

FIRST GREEN BANK

By: 
Kenneth E. LaRoe
Chairman